

MOHAWK LOCAL SCHOOLS FIVE YEAR FORECAST

November 10, 2021
Rhonda Feasel



Forecast Summary

Financial Forecast	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
Beginning Balance (Line 10.010) Plus Renewal/New Levies Modeled	7,389,164	8,234,632	8,666,968	9,251,991	9,352,353
+ Revenue	12,651,122	12,668,067	12,500,381	12,491,882	12,264,169
+ Proposed Renew/Replacement Levies	-	-	-	-	208,984
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(11,805,655)	(12,235,730)	(11,915,358)	(12,391,520)	(12,463,343)
= Revenue Surplus or Deficit	845,468	432,336	585,023	100,362	9,810
Line 10.010 Ending Balance with renewal/new levies	8,234,632	8,666,968	9,251,991	9,352,353	9,362,163

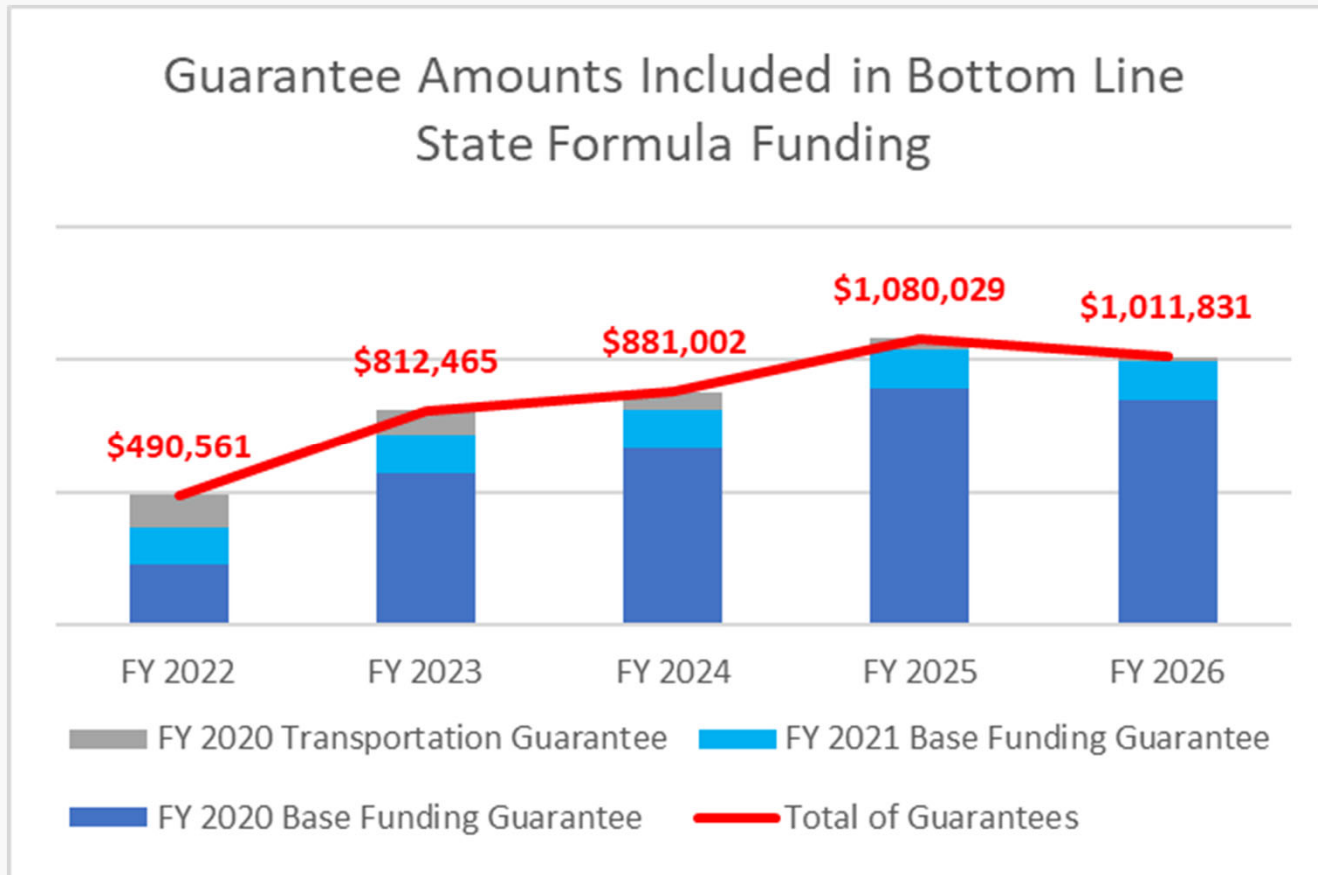
Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	845,468	432,336	585,023	100,362	(199,174)
Ending Balance w/o Levies	8,234,632	8,666,968	9,251,991	9,352,353	9,153,179

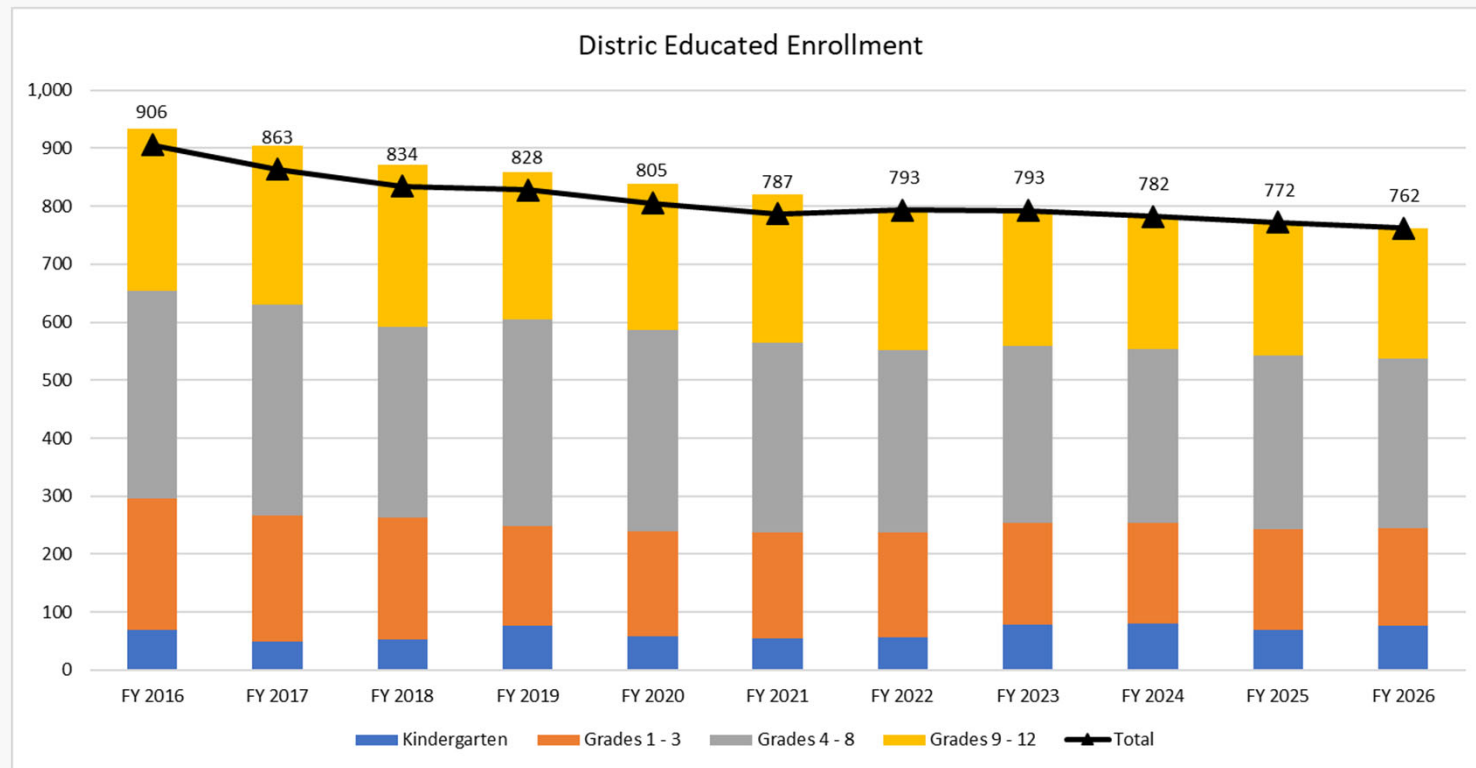
Significant Revenue Changes

- **Public Utility** – Rover appealed their values again which resulted in a \$228,891 lower projection in FY22; \$190,077 in FY23; \$171,893 in FY24; and \$155,783 in FY25.
 - As compared to the May 2021 forecast: The accumulated reduction over the forecast totals \$746,644 in less revenues/available cash.
 - This new appeal lowers their original value from 57% to 50%.
 - A hearing with the Board of Tax Appeals has been moved from November 2021 to May 2022.
- **Income Tax** – Collections are currently coming in around 17% higher than last year. Forecast will slow the trend to 9% increase in FY22 with an average increase of 3.55% over the forecast period.
 - As compared to the May 2021 forecast: The accumulated increase over the forecast totals \$380,402 in more revenue/available cash
- **All Other Revenue** – Due to new Fair School Funding Plan (FSFP) the District will see \$937,276 in tuition reductions. These reductions will also be reflected on the expenditure side in purchased services.
- **Unrestricted Grants-in-Aid** – Due to the uncertainty with guarantee funding, a reduction of \$190,000 in FY24; \$235,000 in FY25; and \$278,000 in FY26 was forecasted.
 - As compared to the May 2021 forecast: The accumulated reduction over the forecast totals \$703,000 in less revenues/available cash.
 - Enrollment loss (average of 20 per year in the past 6 years)
 - Higher assessed property values (Rover)

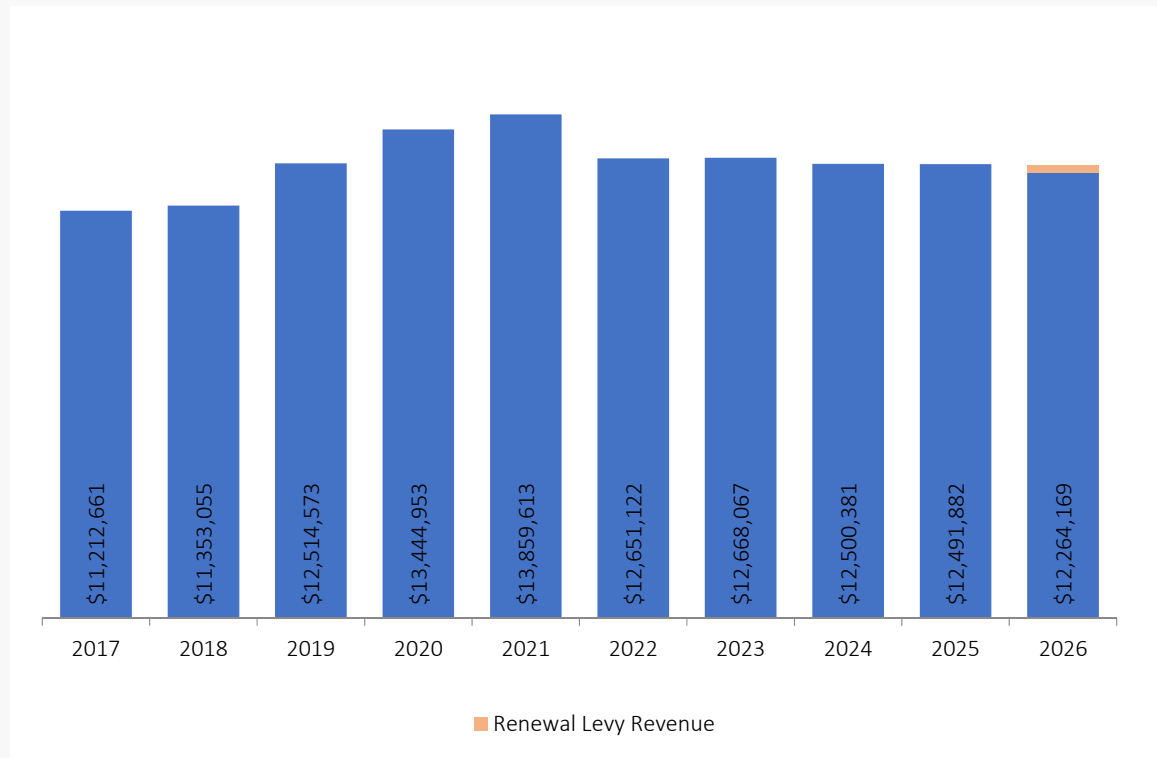
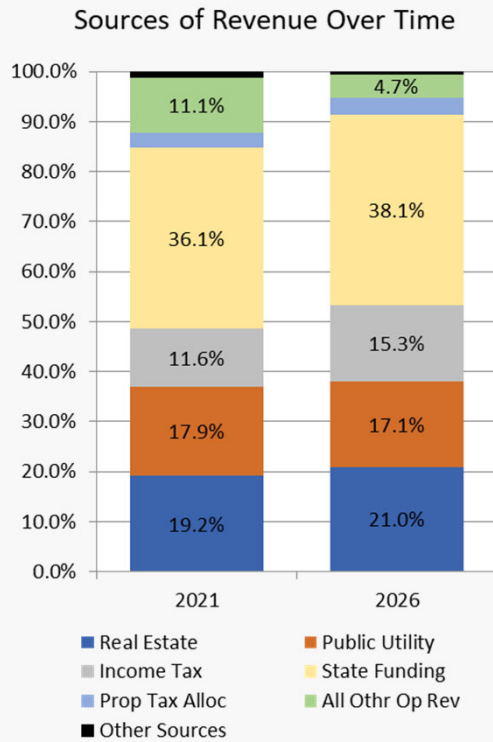
Guarantee Funding



Enrollment



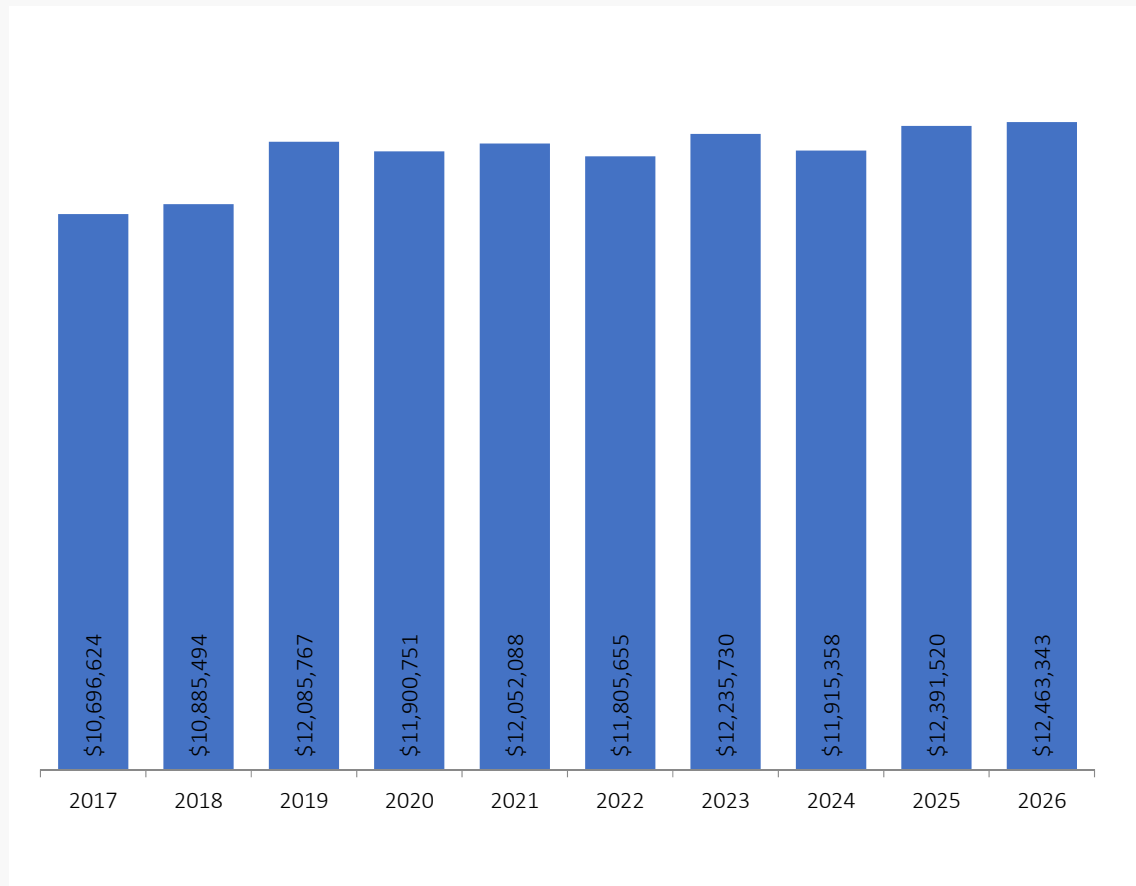
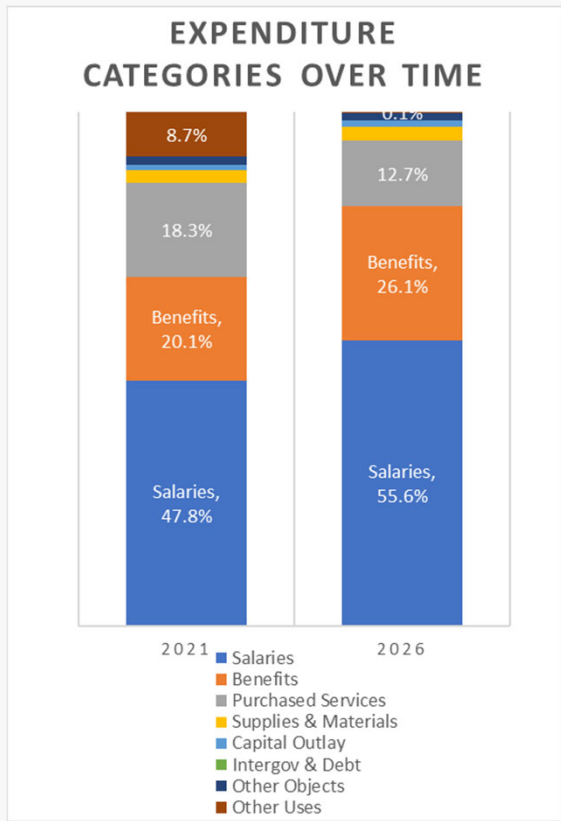
Sources of Revenues Over Time



Significant Expenditure Changes

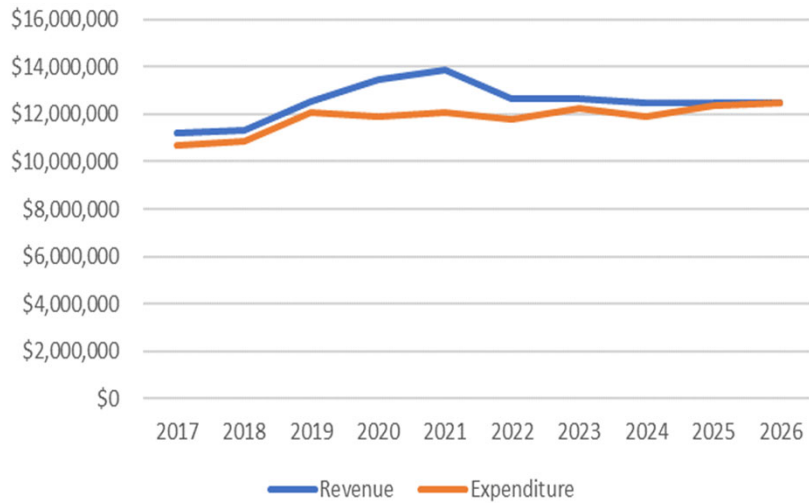
- **Purchased Services** – The FSFP funds only district educated students thereby reducing tuition costs for open enrollment, community school and scholarship students. In FY21 these costs totaled \$909,137.
- **Transfers Out** – The district is planning on transferring \$1,090,000 million for permanent improvements in FY22 and FY23. A phase in of projects is being planned by the Capital Improvements Committee. Additionally, a continuation of transfer to the PI fund for the HVAC loan & repairs of \$357,754 and \$365,147 in FY24 and FY25.
 - As compared to the May 2021 forecast: The accumulated increase over the forecast totals \$2.9 million in more expenditures/less available cash.
- **Several General Fund program expenditures have been transferred to ESSER grants through FY23 – around \$1.1 million over 3 years. These expenditures will come back to the General fund in FY24. See the detailed notes to the forecast for more information.**

Sources of Expenditures Over Time

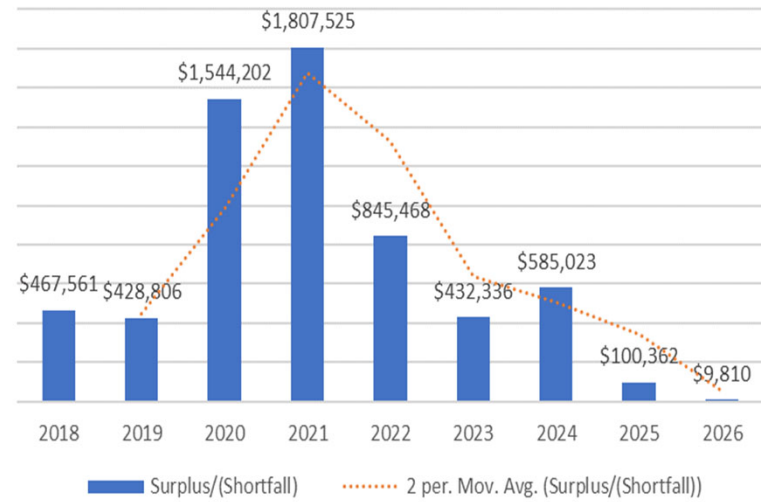


Revenues VS Expenditures

Revenue Compared to Expenditures



Annual Revenue Surplus/(Shortfall) by FY



Long Term Stability

- In FY14, The District Began Transferring \$200,000 To A “Rainy Day” Fund
- In FY15, The District Began Allocating Money To The Permanent Improvement Fund
- In FY16, The District Transferred \$500,000 To PI Fund For Future Roof Replacement
- In FY17, The District Transferred \$151,237 To Establish A Termination Benefits Fund & \$250,000 To PI
- By FY18, The District Achieved Its Goal Of \$1 Million In The “Rainy Day” Fund And PI Fund Balance Of \$1 Million
- In FY19, The District Transferred \$875,000 To Bond Retirement For Early Payoff Of School Building Bonds
- In FY20, Transfer To Rainy Day \$625,000, Permanent Improvement \$500,000 & \$50,000 Cafeteria
- In FY21, Transfer to Permanent Improvement \$650,000, Cafeteria \$20,000, Athletics \$18,171, and Severance Funds \$46,707
- Anticipated for FY22, Transfer to Permanent Improvement \$1,000,000 and \$22,009 Severance Funds – Maybe Cafeteria Fund....
- **The goal is NOT to go back to taxpayers for additional NEW money!**

Forecast Location

Forecast and notes are available for inspection for any public school at:

<http://fyf.oecn.k12.oh.us/>

Mohawk Local Schools direct link at:

<http://www.mohawklocal.org/treasurer.aspx>

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