



Mohawk Local School District

Five Year Forecast Financial Report

May 23, 2023

Table of Contents

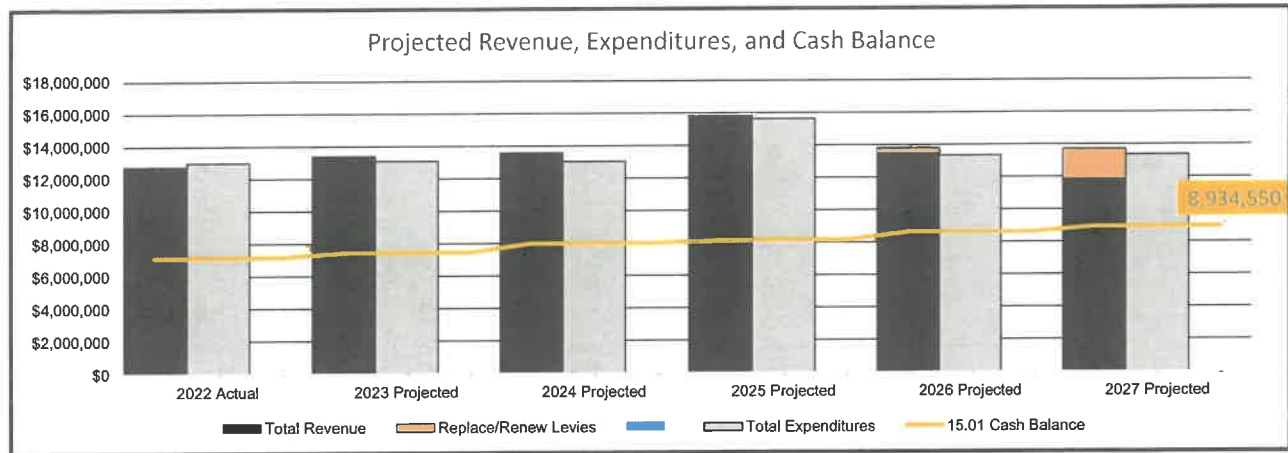
	<u>Page</u>
Table of Contents	2
Forecast Summary	3
Revenue Sources and Forecast Year-Over-Year Projected Overview	4
1.010 - General Property Tax (Real Estate)	5
1.020 - Public Utility Personal Property	6
1.030 - Income Tax	7
1.035 - Unrestricted Grants-in-Aid	8
1.040 & 1.045 - Restricted Grants-in-Aid	9
1.050 - Property Tax Allocation	10
1.060 - All Other Operating Revenues	11
2.070 - Total Other Financing Sources	12
Expenditures Overview	13
3.010 - Personnel Services	14
3.020 - Employee Benefits	15
3.030 - Purchased Services	16
3.040 - Supplies and Materials	17
3.050 - Capital Outlay	18
3.060 - 4.060 - Intergovernmental & Debt	19
4.300 - Other Objects	20
5.040 - Total Other Financing Uses	21
Five Year Forecast	22

Forecast Purpose/Objectives

Ohio Department of Education's purposes/objectives for the five-year forecast are:

1. To engage the local board of education and the community in the 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.

Forecast Methodology - This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year and while cash flow monitoring helps to identify unexpected variances no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.



Note: Cash balance (Line 7.020) plus any existing levy modeled as renewed or new during the forecast.

Financial Forecast	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
Beginning Balance (Line 7.010) Plus Renewal/New Levies Modeled	7,147,612	7,448,134	7,982,658	8,142,130	8,602,033
+ Revenue	13,397,299	13,579,207	15,802,818	13,471,455	11,856,278
+ Proposed Renew/Replacement Levies	-	-	-	334,225	1,852,951
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(13,096,776)	(13,044,684)	(15,643,347)	(13,345,777)	(13,376,712)
= Revenue Surplus or Deficit	300,522	534,524	159,471	459,903	332,517
Line 7.020 Ending Balance with renewal/new levies	7,448,134	7,982,658	8,142,130	8,602,033	8,934,550

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	300,522	534,524	159,471	125,678	(1,520,435)
Ending Balance w/o Levies	7,448,134	7,982,658	8,142,130	8,267,808	6,747,373

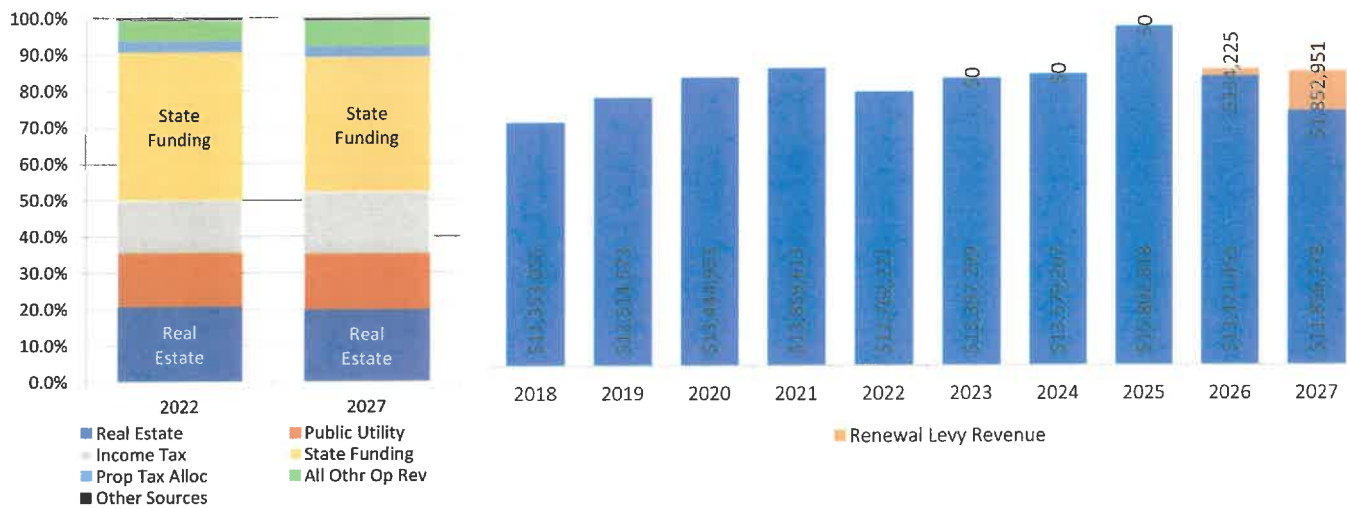
In FY 2023 a revenue surplus is expected. This means that expenditures are expected to be less than revenue by -\$300,522 in FY 2023. By the last year of the forecast, FY 2027, the district is expected to have a revenue shortfall where expenditures are projected to be greater than revenue by \$1,520,435. The district would need to cut its FY 2027 projected expenses by 11.37% in order to balance its budget without additional revenue.

The district's cash balance is positive at year-end in FY 2023 and is projected to worsen by FY 2027. A worsening cash balance can erode the district's financial stability over time.

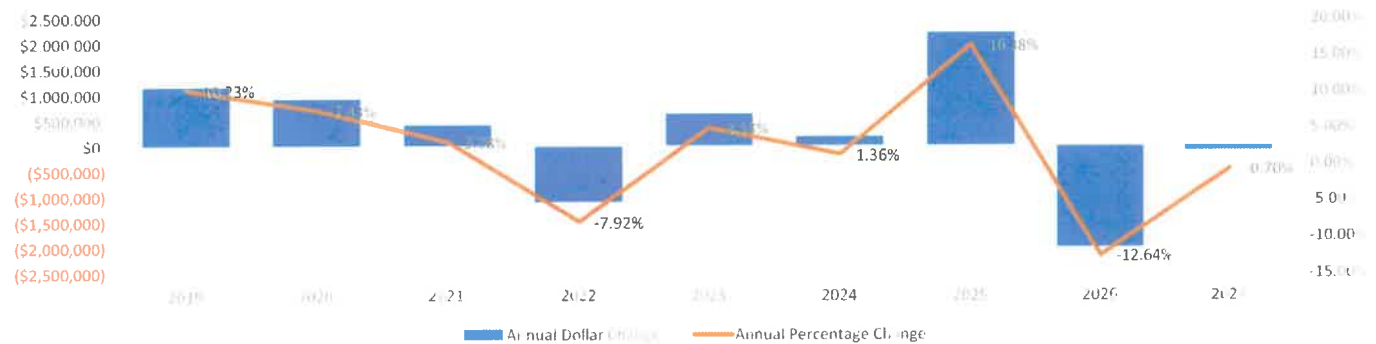
This forecast includes the Fair School Funding Plan (FSFP) adopted by Ohio starting in FY 2022. The district expects a combined impact of -\$18,852 in FY 2023. This forecast includes a CFO adjusted trend calculation of the FSFP impact using current information. As information changes the estimates will be updated. The district is considered a guarantee district in FY 2023. A detailed state funding supplement to this forecast has been prepared and should be reviewed and considered part of the forecast assumptions.

Revenue Sources and Forecast Year-Over-Year Projected Overview

Sources of Revenue Over Time



Year-Over-Year Dollar & Percentage Change



5-Year Historical Actual Average Annual Dollar Change Compared to 5-year Projected

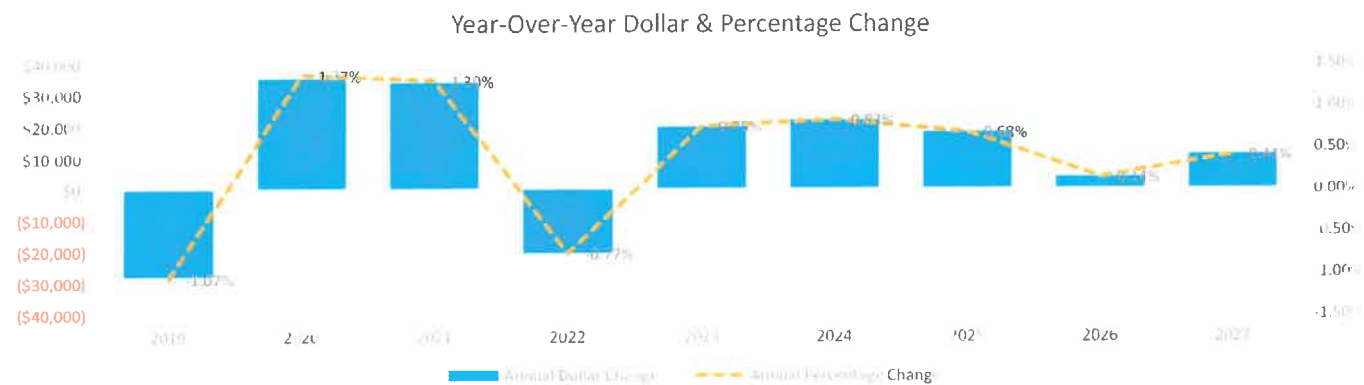
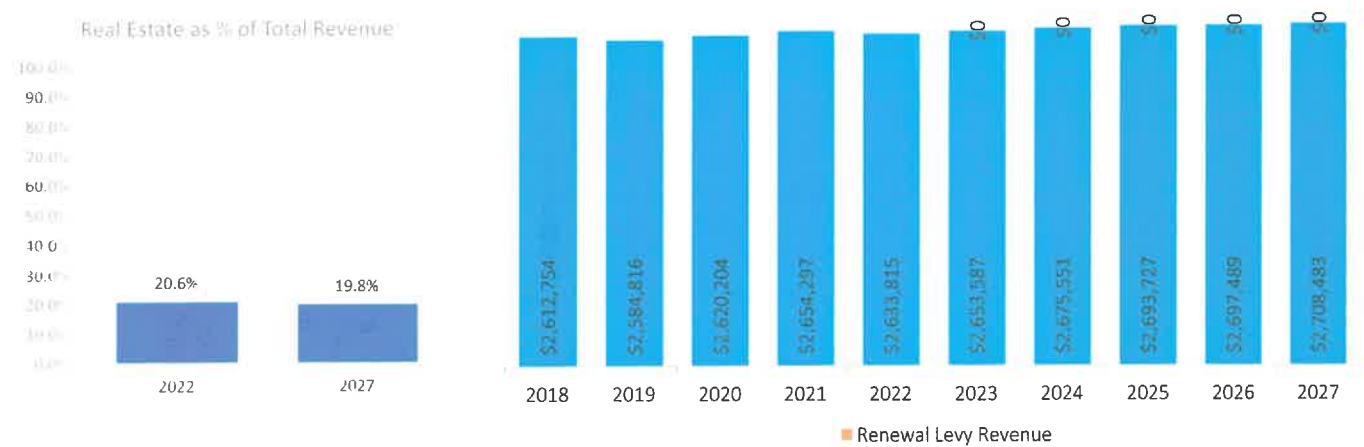
	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	<p>Total revenue increased 2.42% or \$309,912 annually during the past 5-Year period and is projected to increase 1.35% or \$189,402 annually through FY2027. Public Utility has the most projected average annual variance compared to the historical average at - \$256,946</p> <p>The income tax variance is based upon the current levy collection cycle with expiration on December 31, 2025. Thus, anticipated collections shown are based upon this expiration date rather than the assumption of continued collections.</p>
Real Estate	1,852	14,934	\$13,081	
Public Utility	\$302,339	\$45,393	(\$256,946)	
Income Tax	\$86,804	\$94,565	\$7,761	
State Funding	\$20,427	(21,437)	(\$41,864)	
Prop Tax Alloc	\$2,135	\$2,816	\$681	
All Othr Op Rev	(\$108,041)	\$53,063	\$161,104	
Other Sources	\$4,395	\$67	(\$4,328)	
Total Average Annual Change	309,912 2.42%	189,402 1.35%	(\$120,510) -1.08%	

Note: Expenditure average annual change is projected to be >

\$74,588 On an annual average basis, expenditures are projected to grow slower than revenue.

1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property, multiplied by the effective tax rate for class I (residential/agricultural) and class II (business).



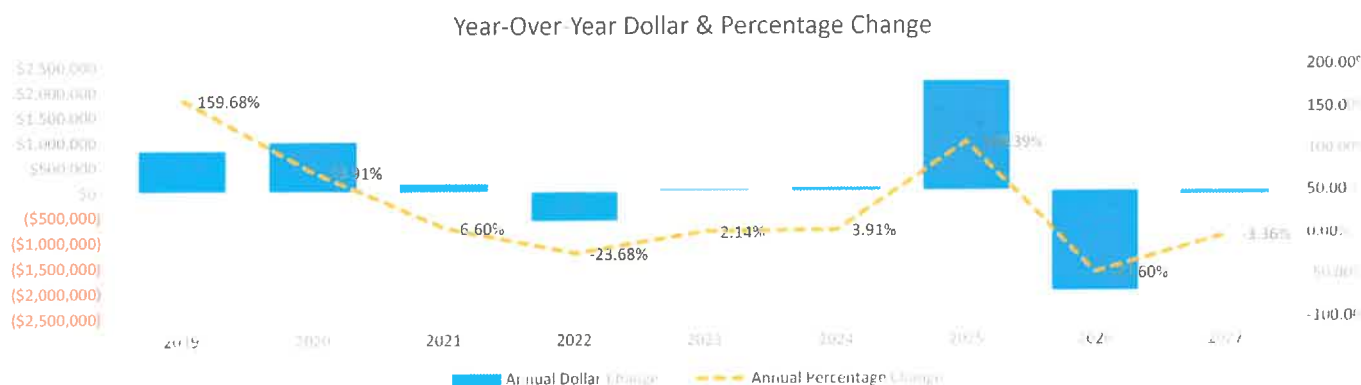
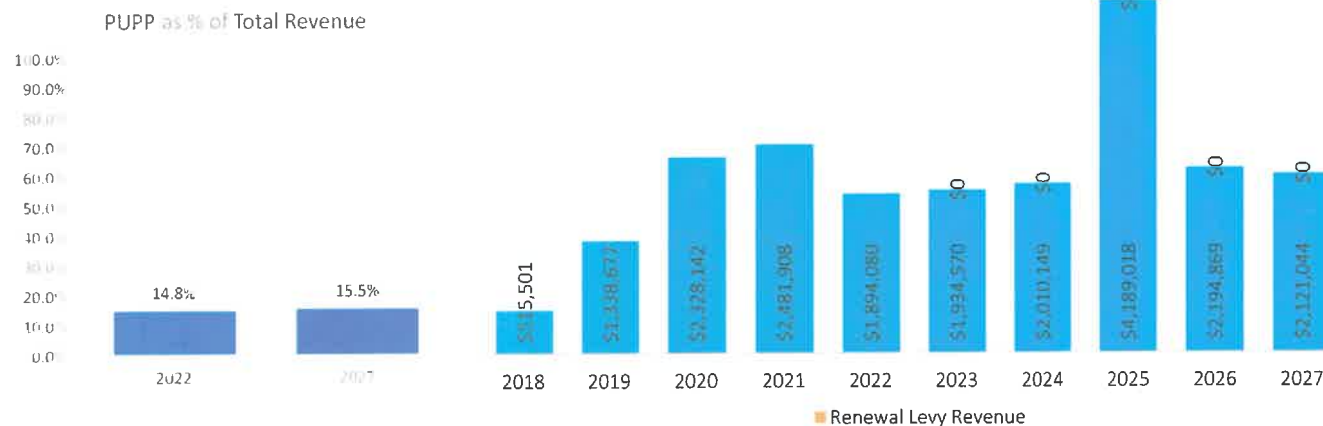
Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2021	138,582,490	410,130	21.76	-	25.31	-	100.7%
2022	146,618,070	8,035,580	20.93	(0.83)	26.00	0.69	99.9%
2023	148,213,570	1,595,500	20.81	(0.12)	26.00	(0.00)	100.7%
2024	148,884,070	670,500	20.77	(0.04)	25.99	(0.00)	100.0%
2025	150,129,570	1,245,500	20.69	(0.09)	25.99	(0.00)	100.0%
2026	151,030,070	900,500	20.64	(0.04)	25.99	(0.00)	100.0%

Real estate property tax revenue accounts for 20.64% of total revenue. Class I or residential/agricultural taxes make up approximately 96.83% of the real estate property tax revenue. The Class I tax rate is 20.93 mills in tax year 2022. The projections reflect an average gross collection rate of 100.1% annually through tax year 2026. The revenue changed at an average annual historical rate of 0.07% and is projected to change at an average annual rate of 0.56% through FY 2027.

*Projected % trends include renewal levies

1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the applicable full-voted tax rate



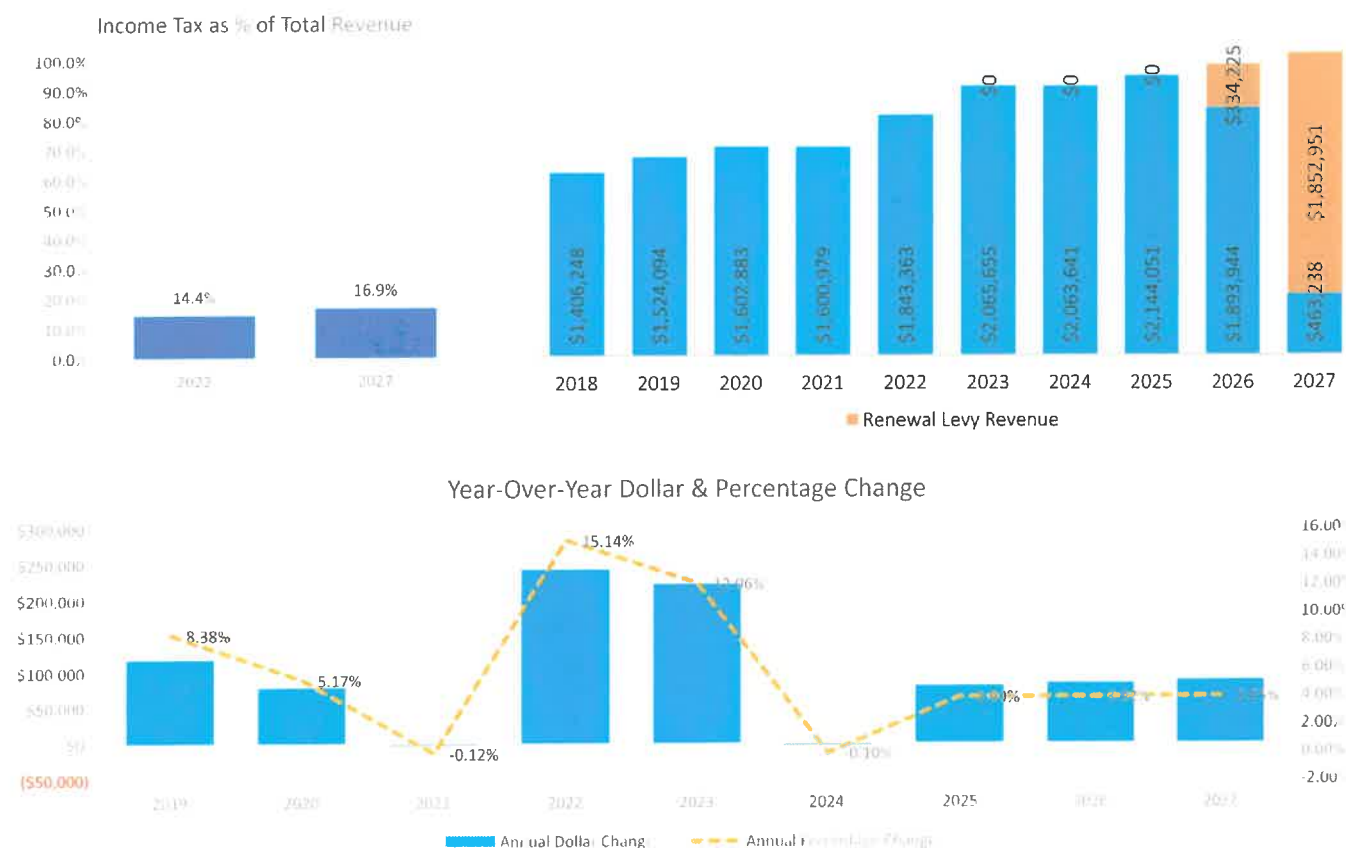
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2021	102,224,300	(1,455,960)	36.90	-	58.8%
2022	100,154,430	(2,069,870)	36.90	-	50.8%
2023	98,154,430	(2,000,000)	36.90	-	50.8%
2024	61,091,495	(37,062,935)	36.90	-	50.8%
2025	59,091,495	(2,000,000)	36.90	-	100.0%
2026	57,091,495	(2,000,000)	36.90	-	100.0%

The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. This category currently makes up 14.84% of total district revenue. The property is taxed at the full voted tax rate which in tax year 2022 is 36.9 mills. The forecast is modeling an average gross collection rate of 70.51%. The revenue changed historically at an average annual dollar amount of \$302,339 and is projected to change at an average annual dollar amount of \$45,393 through FY 2027.

This revenue source increased significantly in 2019 with the district receiving its initial payment from the first line of the Rover Pipeline. The second line was put into service in fiscal year 2020. It is projected this value will not increase beyond fiscal year 2020 due to depreciation of the pipeline. Additionally, the Rover Company appealed 43% of its value in December 2019. Then in December 2020 they filed another appeal for 54% reduction in valuation. In December 2021, a third appeal was filed for a 61% reduction. In July 2020, the Ohio Department of Taxation denied their appeal. They have now appealed this decision to the Board of Tax Appeals. The hearing took place September 2022. The Board of Tax Appeals is expected to make a decision in the coming months. An estimated settlement with Rover is forecasted for FY 2025. This is only an estimate while the District awaits more definitive answers from the Ohio Department of Taxation and the Seneca County Auditor. The settlement assumes Rover will appeal awarded at 70% which equates to a 40% reduction in valuation.

1.030 - Income Tax

Revenue collected from income tax earmarked specifically to support school with voter approved tax by residents of the school district separate from federal/state and municipal income taxes



The district maintained one income tax levy in FY 2022. The average annual dollar change in total income tax revenue is forecasted to be \$94,565 through FY 2027. The district is projecting income tax renewal activity through FY 2027. Income tax revenue is projected to account for 16.9% of total district revenue in FY 2027.

An increase of 12.06% in fiscal year 2023 has been forecasted due to the robust economic turnaround with recovery coming much sooner than originally projected. An average 3.95% annual increase has been forecasted through FY 2027. This revenue source is extremely vulnerable to economic changes and must be monitored closely as the economy continues to recover.

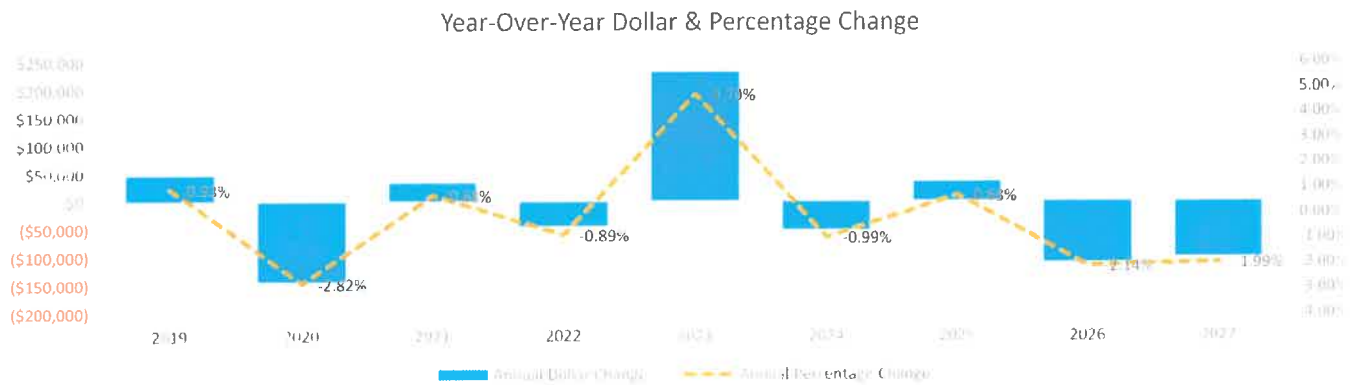
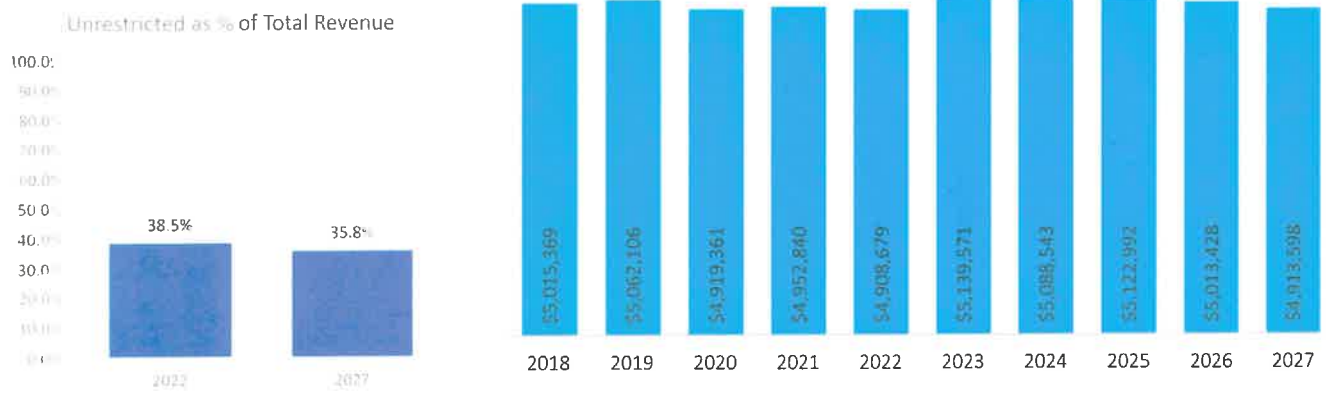
The "traditional" income tax levy is 1% annually for a five year period with expiration on December 31, 2025.

The above chart reflects income tax collections based upon the current levy collection cycle with expiration on December 31, 2025. Thus, anticipated collections shown are based upon this expiration date rather than the assumption of continued collections..

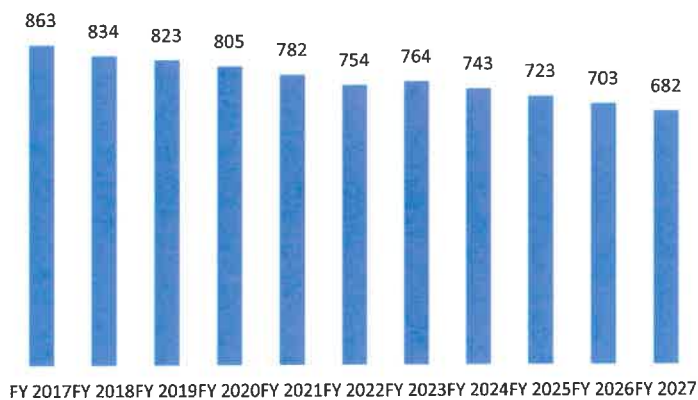
**Projected % trends include renewal levies*

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



District Educated Enrollment



Beginning in FY 2022 Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual data.

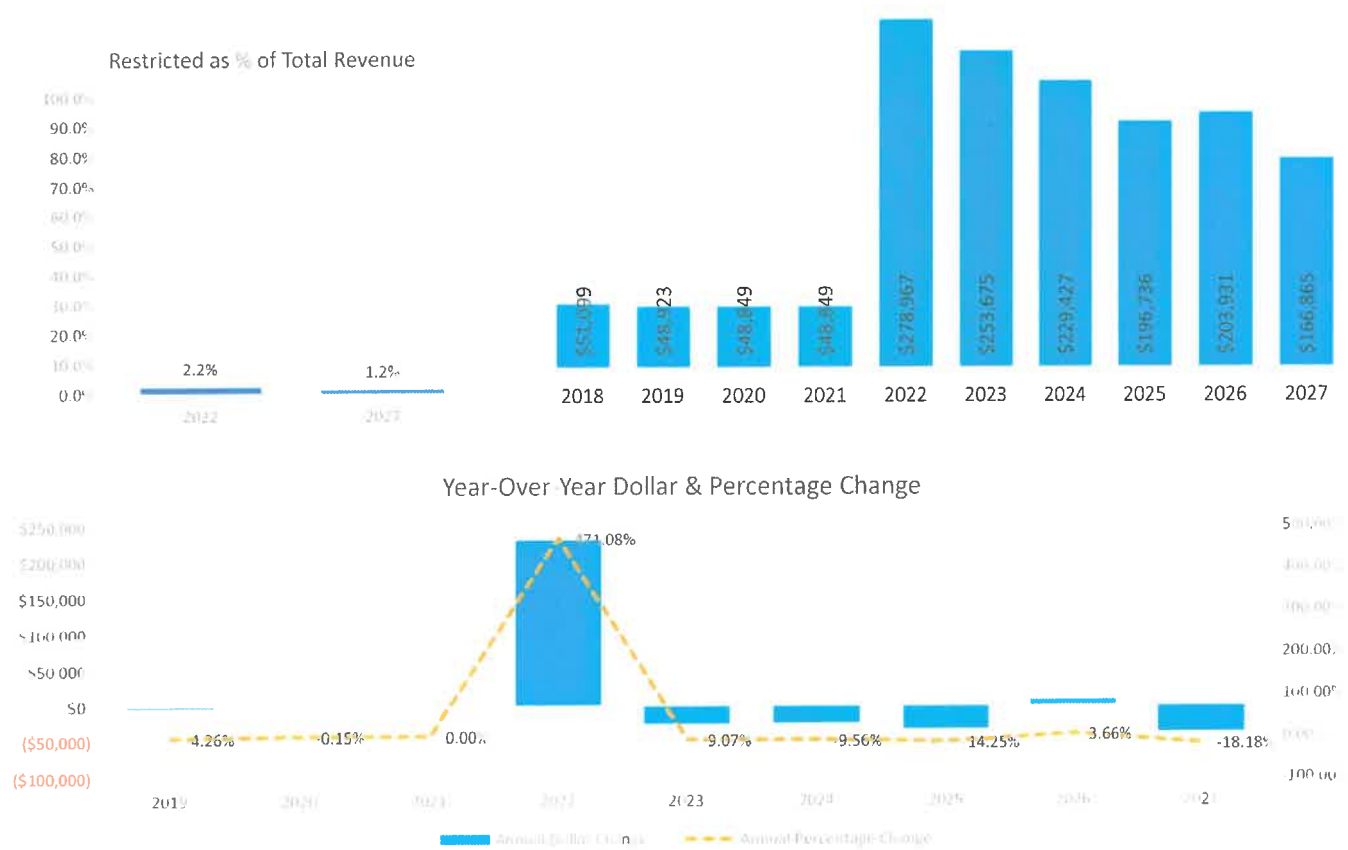
For Mohawk Local School District the calculated Base Cost total is \$6,177,855 in FY 2023.

The state's share of the calculated Base Cost total is \$1,445,689 or \$1,893 per pupil.

For reference: The FSFP change to district educated enrollment could be lower than the district's historical formula funded enrollment but also potentially reduces tuition cost. In FY 2021, the district had approximately \$909,137 in possible tuition cost reductions. These reductions will be reflected in the purchased services expenditure note.

1.040 & 1.045 - Restricted Grants-in-Aid

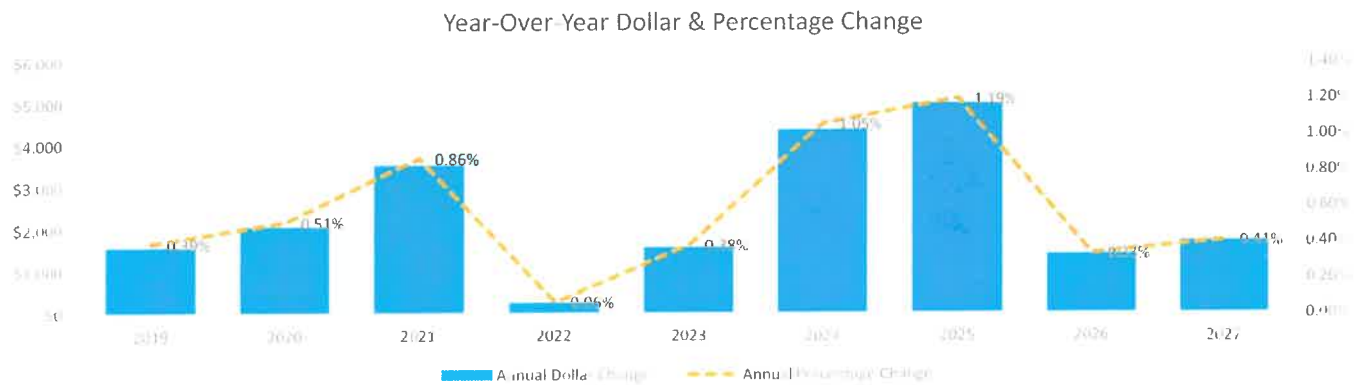
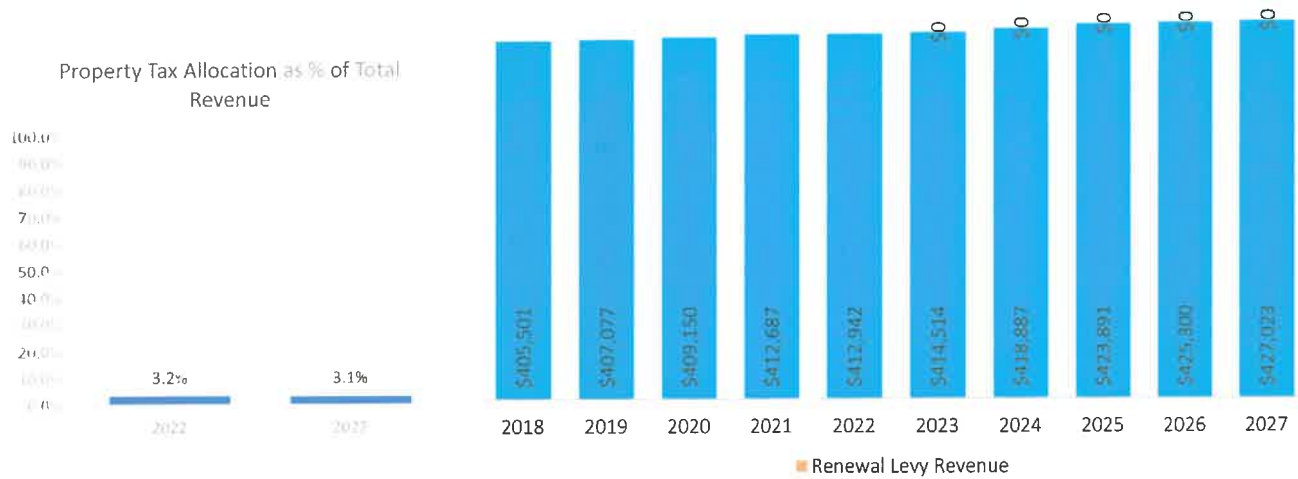
Funds received through the State Foundation Program or other allocations that are restricted for specific purpose.



Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by \$76,681 and is projected to change annually on average by -\$22,420. Restricted funds represent 2.19% of total revenue. Starting in FY 2022 the district's Success & Wellness funding is considered restricted, the state's share of this funding is recorded as restricted is \$164,583. This funding has implications on general fund expenditures in that certain spending now occurring in a fund external to the general fund could shift to the general fund. The expenditures in this forecast are adjusted to reflect this change.

1.050 - Property Tax Allocation

Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Line Regulation, Homestead and Pollback.



Property tax allocation primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In FY 2023, approximately 11.3% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 2.7% will be reimbursed in the form of qualifying homestead exemption credits.

**Projected % trends include renewal levies*

1.060 - All Other Operating Revenues

Operating revenue sources not included in other lines, example include tuition fees, earnings on investments, rentals, and donations.

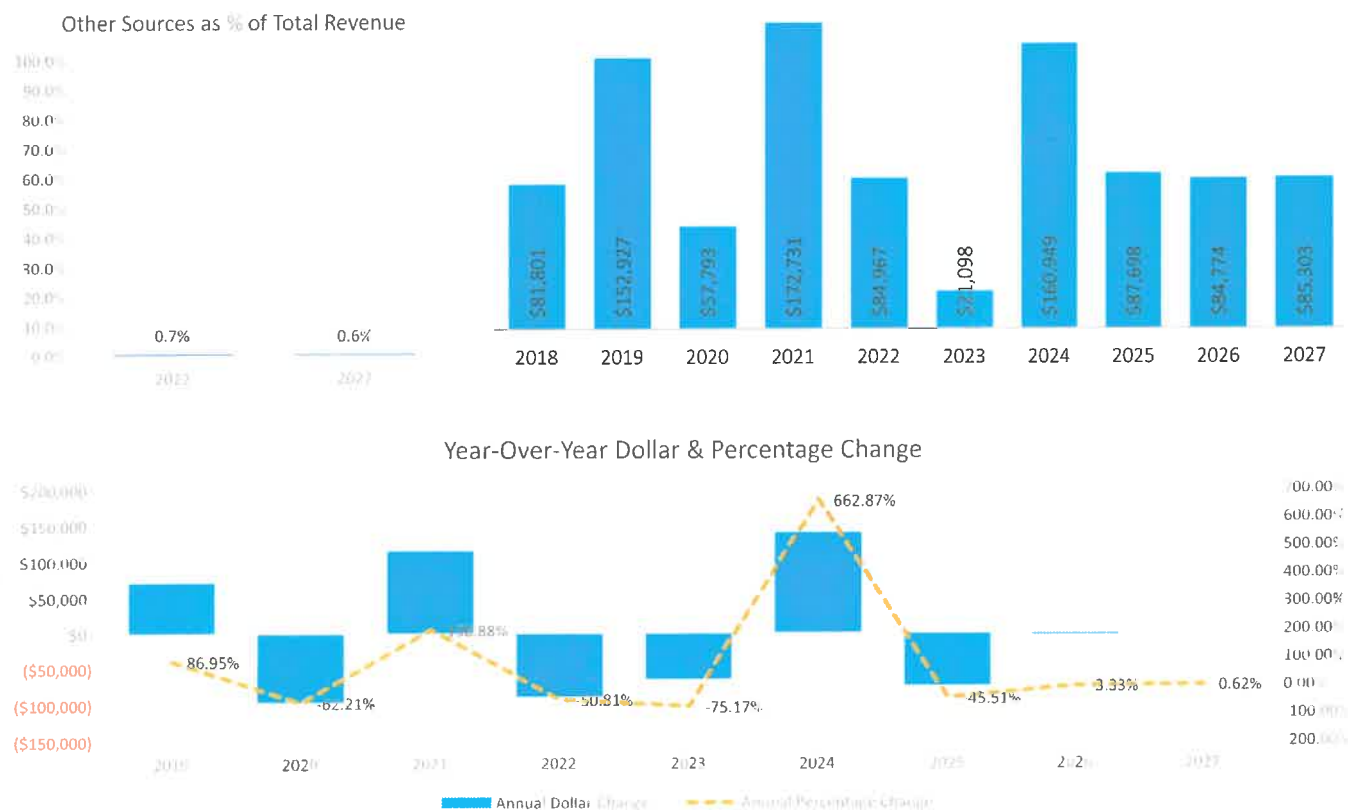


Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was -\$108,041. The projected average annual change is \$53,063 through FY 2027. The FSFP includes per pupil funding for any open enrollment in students the district is educating. This revenue, if any, was recorded in 'other revenue' prior to FY 2022. Fiscal year 2022 and beyond will not include any open enrollment in revenue. The district posted revenue code 1227 open enrollment in revenue of \$914,683 in FY 2021.

A growth of 29.66% is anticipated for other revenue. Much of this increase is due to higher investment income earnings.

2.070 - Total Other Financing Sources

Includes proceeds from sale of notes, state emergency loans and advances-in, all operating transfers-in, and all other financing sources, like sale and loss of assets, and refund of prior year expenditure.



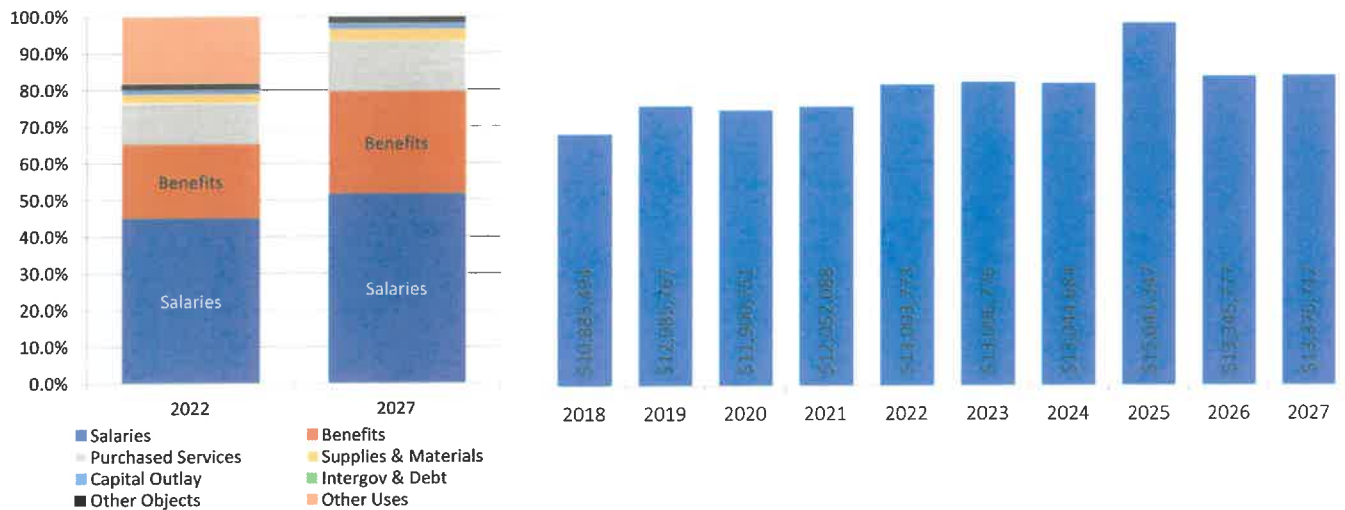
	2022	2023	FORECASTED			
			2024	2025	2026	2027
Transfers In	1,300	574	335	4,615	861	550
Advances In	-	-	-	-	-	-
All Other Financing Sources	83,667	20,524	160,614	83,082	83,913	84,752

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In FY 2022 the district receipted \$0 as advances-in and is projecting advances of \$0 in FY 2023. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be \$20,524 in FY 2023 and average \$103,090 annually through FY 2027.

The district anticipated a receipt of Medicaid School Program (MSP) funds around \$80,000. However, due to IT changes and delays at the Ohio Department of Medicaid this revenue is expected to be received after June 30, 2023. Thus, a decrease in FY2023 and an increase in FY2024 is forecasted.

Expenditure Categories and Forecast Year-Over-Year Projected Overview

Expenditure Categories Over Time



Year-Over-Year Dollar & Percentage Change

5-Year Historical Actual Average Annual Dollar Change
Compared to 5-Year Projected

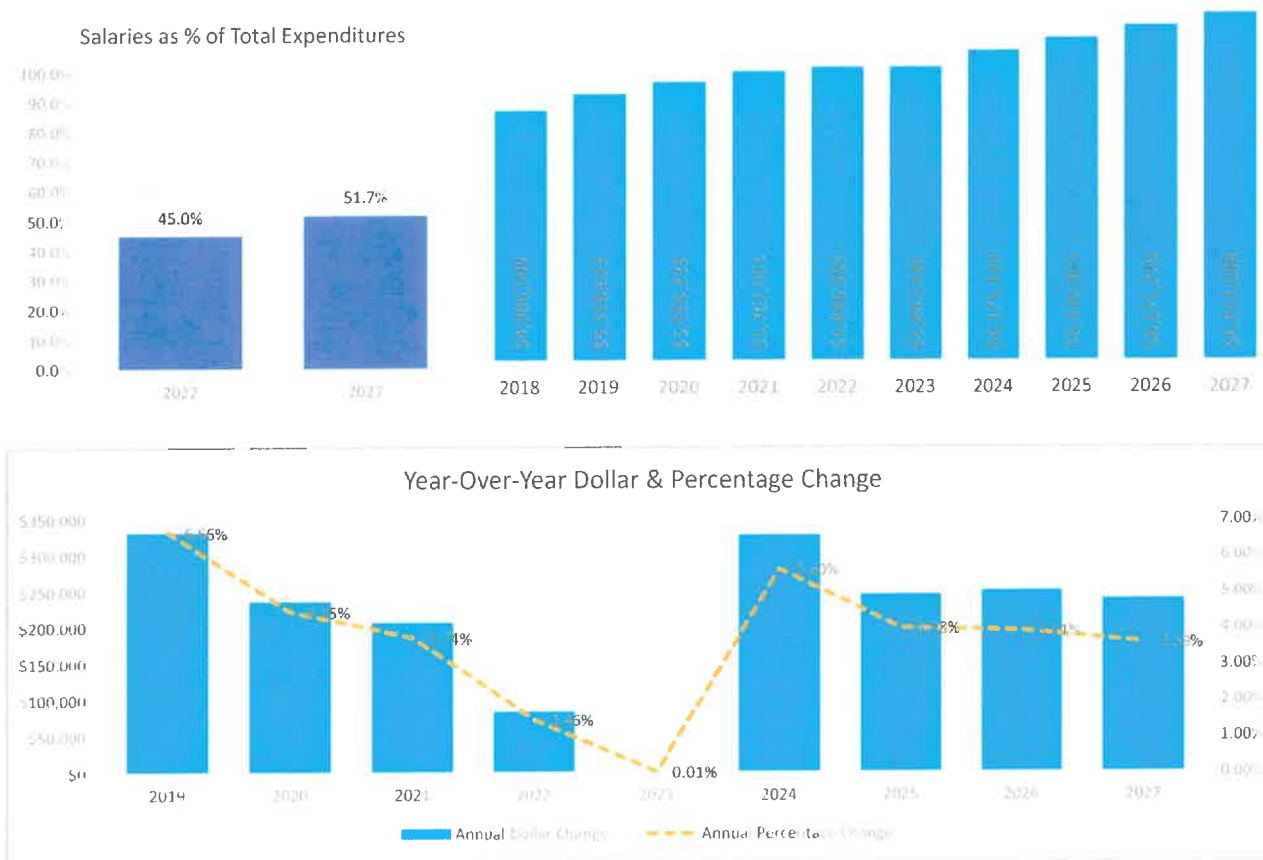
	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Total expenditures increased 3.85% or \$461,430 annually during the past 5-Year period and is projected to increase 0.57% or \$74,588 annually through FY2027. Other Uses has the largest projected average annual variance compared to the historical average at - \$813,550. The difference between the historical and projected annual change is largely due to several program expenditures paid from ESSER grants through FY2023. These expenditures are identified in the notes to the forecast and will return to the General fund in FY2024.
Salaries	218,610	212,833	(\$5,776)	
Benefits	\$140,214	\$219,089	\$78,875	
Purchased Services	(\$230,092)	\$74,852	\$304,944	
Supplies & Materials	(\$8,930)	\$25,181	\$34,112	
Capital Outlay	(\$8,414)	\$13,070	\$21,484	
Intergov & Debt	\$0	\$0	(\$0)	
Other Objects	\$10,170	\$3,240	(\$6,930)	
Other Uses	\$339,873	(\$473,677)	(\$813,550)	
Total Average Annual Change	\$461,430	\$74,588	(\$386,842)	
	3.85%	0.57%	-3.28%	

Note: Revenue average annual change is projected to be > \$189,402

On an annual average basis, revenues are projected to grow faster than expenditures.

3.010 - Personnel Services

Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc.



Salaries represent 44.96% of total expenditures and increased at a historical average annual rate of 3.98% or \$218,610. This category of expenditure is projected to grow at an annual average rate of 3.32% or \$212,833 through FY 2027. The projected average annual rate of change is -0.66% less than the five year historical annual average.

Salary increases have been projected through fiscal year 2023 in accordance with the negotiated agreement. The remainder of the forecast period reflects nominal increases.

In fiscal year 2022, three staff members resigned mid-year were replaced by substitutes. One of these positions is not expected to be replaced in fiscal year 2023. Two staff retirements are anticipated in fiscal year 2023. It is anticipated the district will hire replacement staff at lower costs. Additionally, the district cut two aide positions, the district did not fully replace an afternoon custodial position, and the Librarian was replaced by a classroom aide. Three staff members are currently being paid from ESSER funds through fiscal year 2023. This expense will return to the General fund in fiscal year 2024.

3.020 - Employees' Benefits

Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.



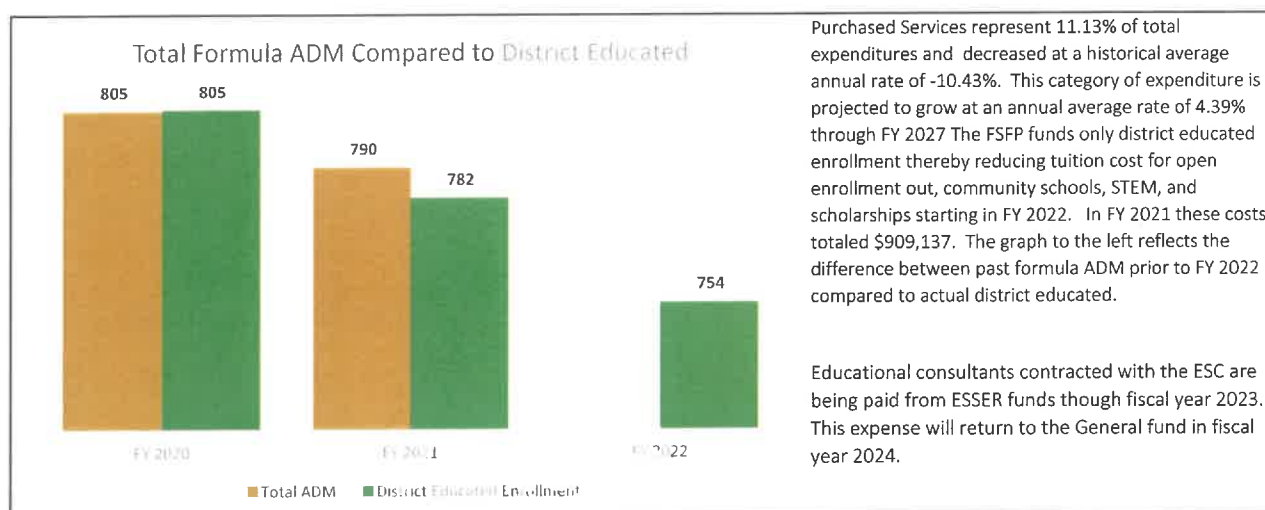
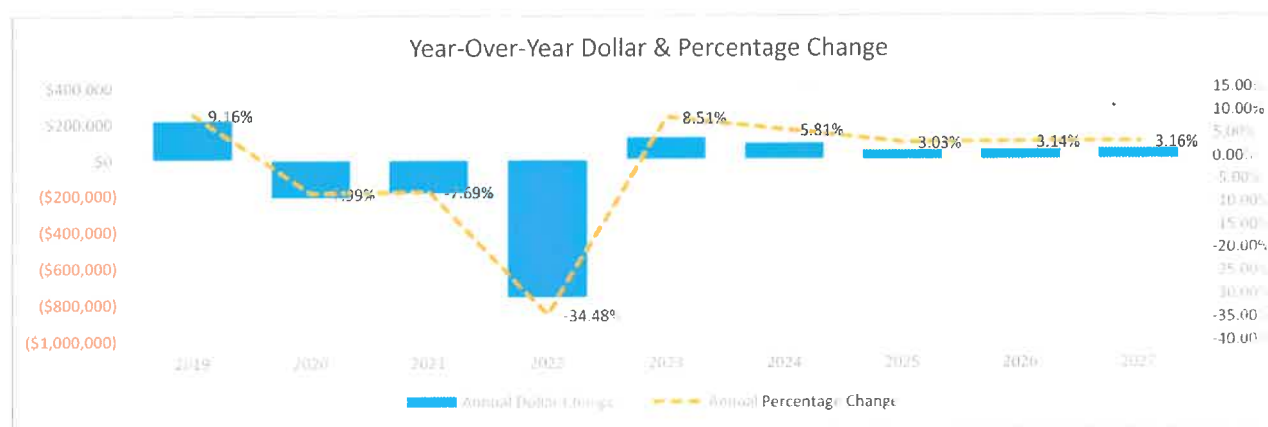
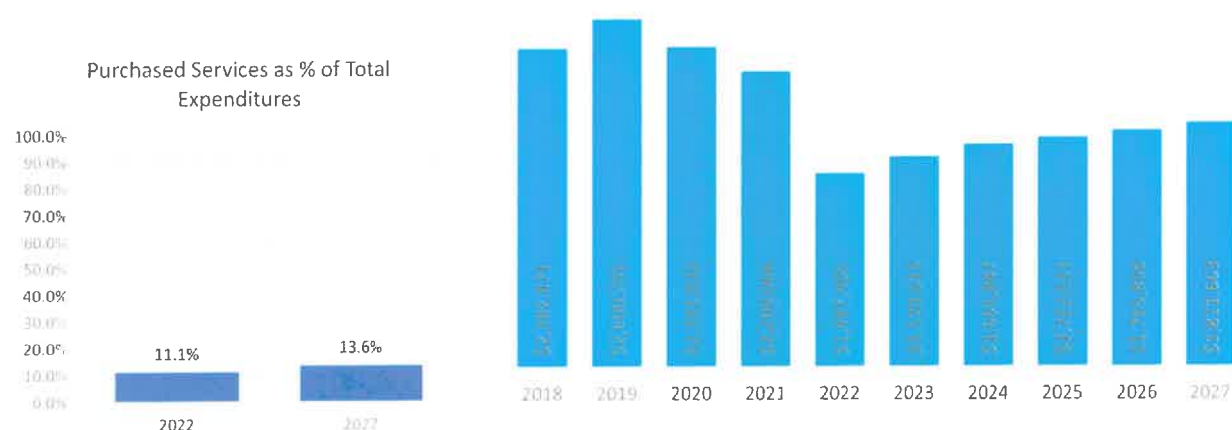
Benefits represent 20.28% of total expenditures and increased at a historical average annual rate of 6.05%. This category of expenditure is projected to grow at an annual average rate of 6.56% through FY 2027. The projected average annual rate of change is 0.51% more than the five year historical annual average.

Health insurance premiums have been a source of concern with both fiscal year 2022 and 2023 seeing double digit increases at, 14.5% and 20.8%, respectively. Due to continued increases with medical claims, the forecast reflects a 7.3% increase in fiscal year 2024 with subsequent forecasted years at 6.5% annual increases which is more inline with prior years.

Three staff members benefits are paid by ESSER funds through fiscal year 2023. This expense will return to the General fund in fiscal year 2024. The district is seeing an increase with insurance enrollment by our staff members. Thus, another driving the cost of benefits higher in fiscal year 2023.

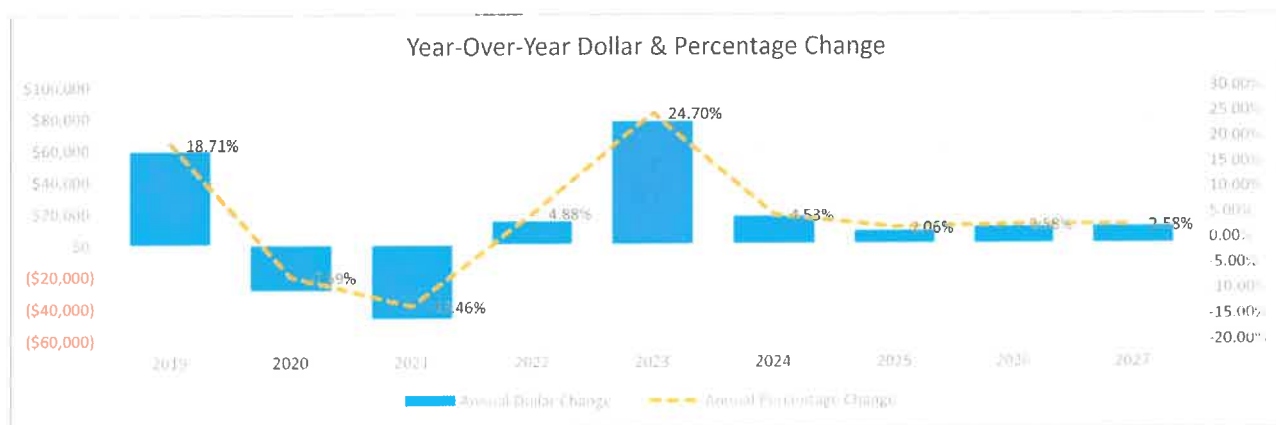
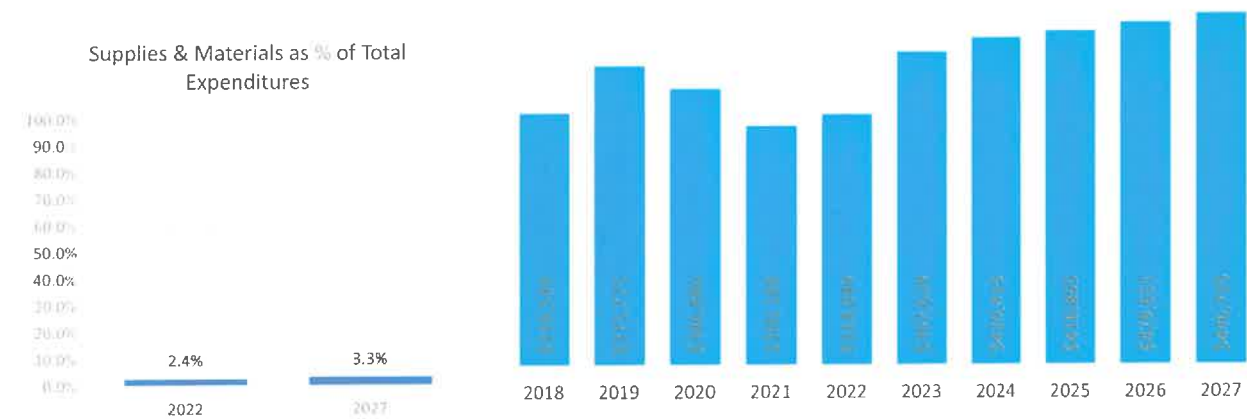
3.030 - Purchased Services

Amounts paid for personal services rendered by personnel who are not on the payroll of the school district; expenses for tuition paid to other districts; utilities costs and other services which the school district may purchase.



3.040 - Supplies & Materials

Expenditures for general supplies, instructional materials including textbooks, and media material, bus fuel and tires, and all other maintenance supplies.



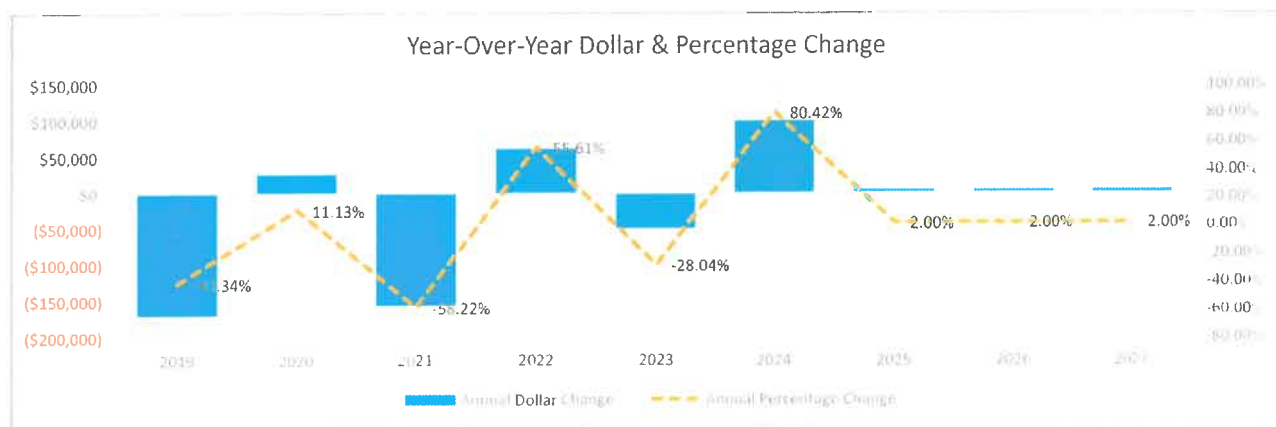
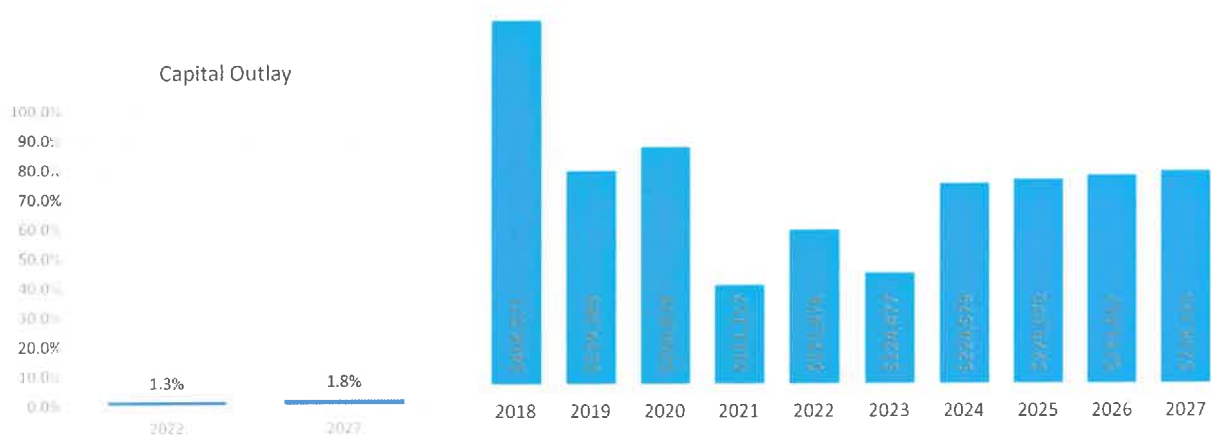
Supplies & Materials represent 2.42% of total expenditures and decreased at a historical average annual rate of -2.70%. This category of expenditure is projected to grow at an annual average rate of 6.02% through FY 2027. The projected average annual rate of change is 8.72% more than the five year historical annual average.

In fiscal year 2020, materials and supplies decreased due to the closure of the school building from mid-March through May.

In fiscal year 2021 many building supplies were purchased from ESSER funds. This grant will be used in fiscal year 2022 for similar purchases. In fiscal year 2023, these expenditures will return to the general fund. Additionally, the district has seen over a 40% increase with diesel fuel costs which factors into the 24.7% annual increase in this line item.

3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.

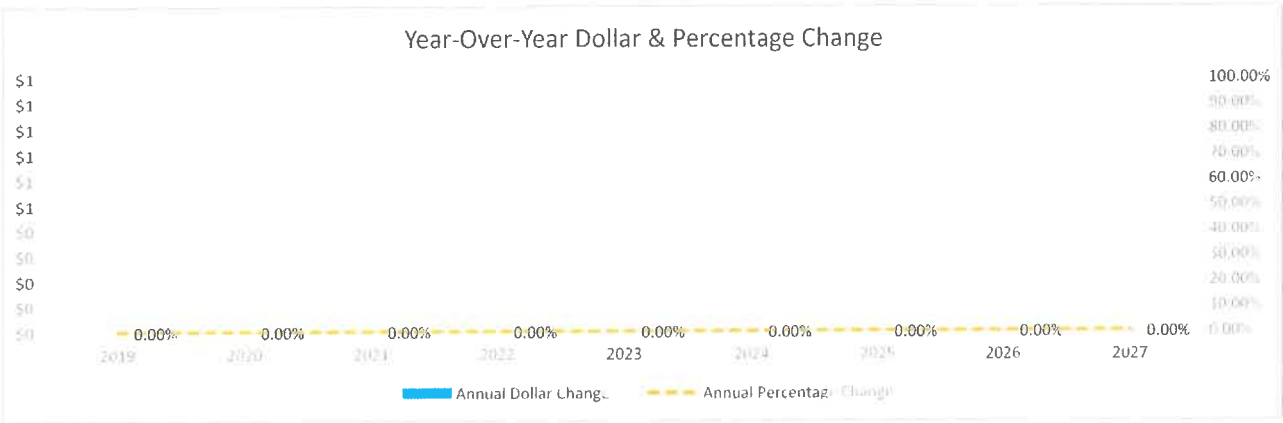
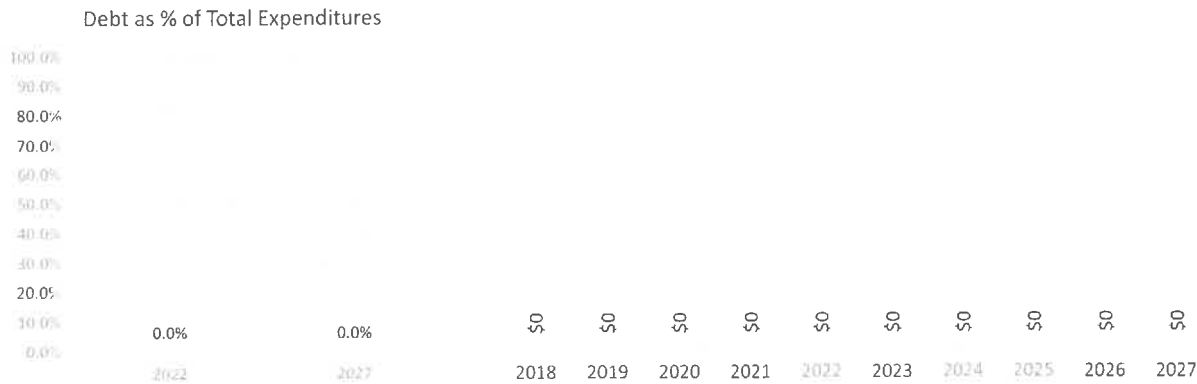


Capital Outlay represent 1.33% of total expenditures and decreased at a historical average annual amount of -\$8,414. This category of expenditure is projected to grow at an annual average rate of \$13,070 through FY 2027. The projected average annual change is more than the five year historical annual average.

The district purchases one school bus per year. In fiscal year 2021 and 2023, the district received a bus subsidy grant to help offset the bus purchase. In future years much of the capital outlay budget will continue from the permanent improvement fund. Thus, only inflationary increases were projected for the bus purchase beginning in fiscal year 2024.

3.060-4.060 - Intergovernmental & Debt

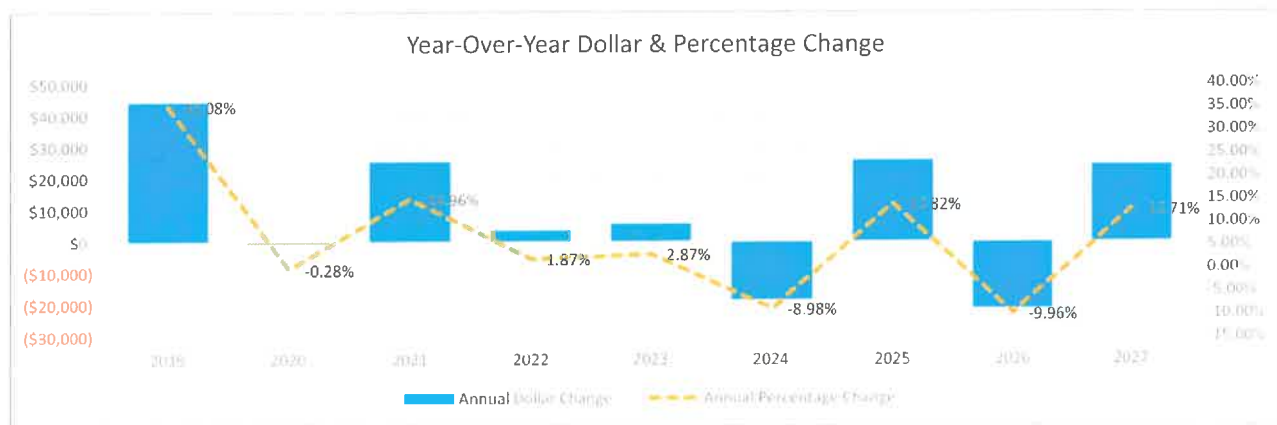
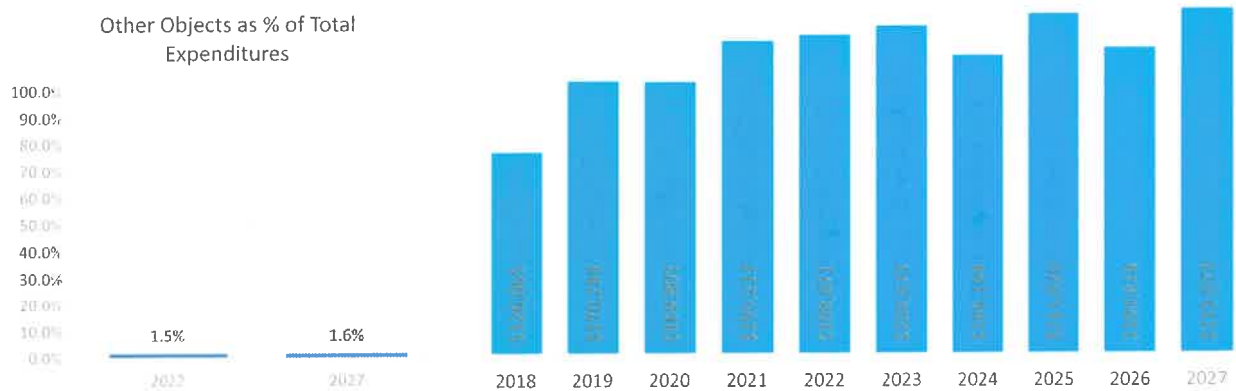
These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing



The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

4.300 - Other Objects

Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.

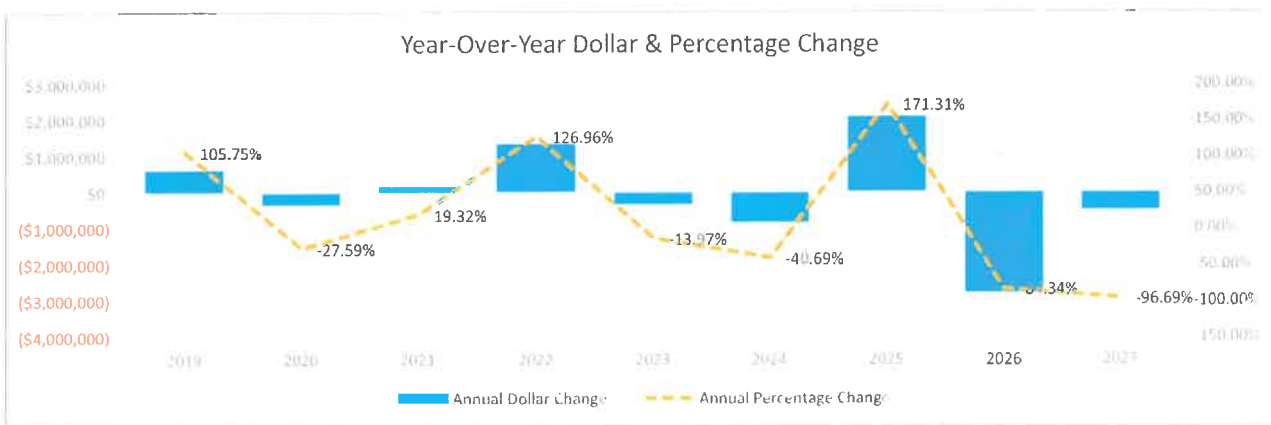
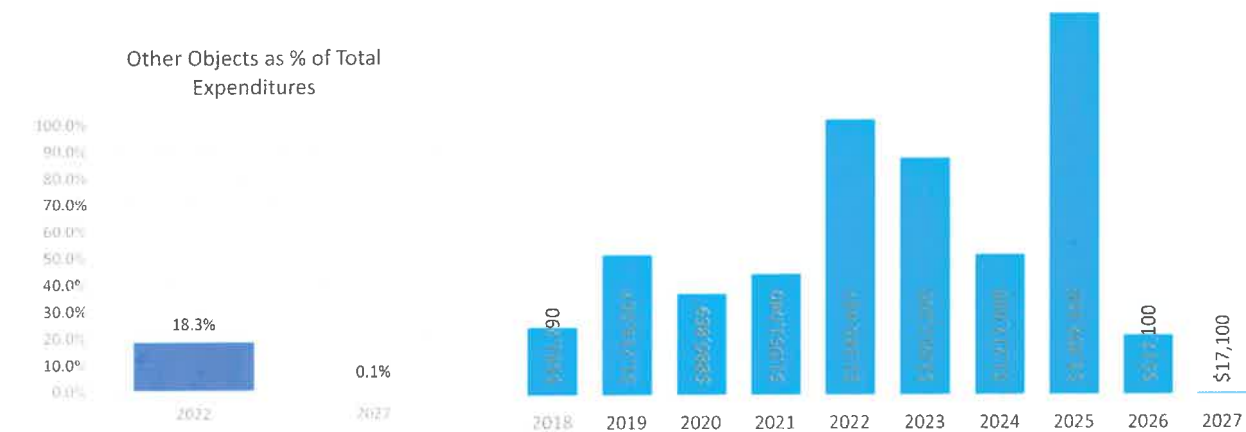


Other Objects represent 1.53% of total expenditures and increased at a historical average annual rate of 5.91%. This category of expenditure is projected to grow at an annual average rate of 1.61% through FY 2027. The projected average annual rate of change is -4.30% less than the five year historical annual average.

Other objects are projected to remain consistent and are mostly comprised of county auditor and treasurers fees for the collection of local tax revenue, as well as, biannual audit costs. The forecast reflects the District biannual audit in FY 2021, FY 2025, and FY 2027 with single audits occurring in FY 2022 and FY 2023.

5.040 - Total Other Financing Uses

Operating transfers out, advances out to other funds, and all other general fund financing uses.



	FORECASTED					
	2022	2023	2024	2025	2026	2027
Transfers Out	2,385,487	2,050,000	1,214,999	3,300,000	515,000	15,000
Advances Out	-	-	-	-	-	-
Other Financing Uses	-	2,200	2,100	2,100	2,100	2,100

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In FY 2022 the district had no advances-out and has no advances-out forecasted through FY 2027. The district can also move general funds permanently to other funds and as the schedule above presents, the district has transfers forecasted through FY 2027. The table above presents the district's planned advances and transfers. The district can also have other uses of funds which is reflected in the table above.

In fiscal years 2023 through 2025, transfers to the permanent improvement fund for the remaining HVAC loan payments and building maintenance are planned. Additionally, fiscal 2023 reflects transfers to the Permanent Improvement and Rainy Day funds. Each year of the forecast reflects a \$15,000 transfer to the severance/termination fund to set aside money for future staff retirements.

Mohawk Local School District

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2022	2023	2024	2025	2026	2027
Revenue:						
1.010 - General Property Tax (Real Estate)	2,633,815	2,653,587	2,675,551	2,693,727	2,697,489	2,708,483
1.020 - Public Utility Personal Property	1,894,080	1,934,570	2,010,149	4,189,018	2,194,869	2,121,044
1.030 - Income Tax	1,843,363	2,065,655	2,063,641	2,144,051	1,893,944	463,238
1.035 - Unrestricted Grants-in-Aid	4,908,679	5,139,571	5,088,543	5,122,992	5,013,428	4,913,598
1.040 - Restricted Grants-in-Aid	278,967	253,675	229,427	196,736	203,931	166,865
1.050 - Property Tax Allocation	412,942	414,514	418,887	423,891	425,300	427,023
1.060 - All Other Operating Revenues	705,409	914,629	932,061	944,706	957,720	970,724
1.070 - Total Revenue	12,677,254	13,376,201	13,418,258	15,715,120	13,386,681	11,770,975
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	1,300	574	335	4,615	861	550
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	83,667	20,524	160,614	83,082	83,913	84,752
2.070 - Total Other Financing Sources	84,967	21,098	160,949	87,698	84,774	85,303
2.080 - Total Rev & Other Sources	12,762,221	13,397,299	13,579,207	15,802,818	13,471,455	11,856,278
Expenditures:						
3.010 - Personnel Services	5,846,903	5,847,446	6,175,169	6,420,963	6,671,770	6,911,068
3.020 - Employee Benefits	2,637,283	2,904,839	3,169,380	3,348,307	3,536,892	3,732,728
3.030 - Purchased Services	1,447,405	1,570,613	1,661,847	1,712,131	1,765,896	1,821,663
3.040 - Supplies and Materials	314,849	392,629	410,415	418,855	429,651	440,755
3.050 - Capital Outlay	172,976	124,477	224,579	229,070	233,652	238,325
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	198,871	204,573	186,194	211,920	190,818	215,073
4.500 - Total Expenditures	10,618,286	11,044,577	11,827,584	12,341,246	12,828,677	13,359,612
Other Financing Uses						
5.010 - Operating Transfers-Out	2,385,487	2,050,000	1,214,999	3,300,000	515,000	15,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	2,200	2,100	2,100	2,100	2,100
5.040 - Total Other Financing Uses	2,385,487	2,052,200	1,217,099	3,302,100	517,100	17,100
5.050 - Total Exp and Other Financing Uses	13,003,773	13,096,776	13,044,684	15,643,347	13,345,777	13,376,712
6.010 - Excess of Rev Over/(Under) Exp	(241,552)	300,522	534,524	159,471	125,678	(1,520,435)
7.010 - Cash Balance July 1 (No Levies)	7,389,164	7,147,612	7,448,134	7,982,658	8,142,130	8,267,808
7.020 - Cash Balance June 30 (No Levies)	7,147,612	7,448,134	7,982,658	8,142,130	8,267,808	8,747,373
		Reservations				
8.010 - Estimated Encumbrances June 30	156,156	150,000	150,000	150,000	150,000	150,000
9.080 - Reservations Subtotal	1,680,313	2,080,313	2,080,313	2,080,313	2,080,313	2,080,313
10.010 - Fund Bal June 30 for Cert of App	5,311,143	5,217,821	5,752,345	5,911,817	6,037,495	4,517,060
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	-	-	334,225	1,852,951
11.030 - Cumulative Balance of Levies	-	-	-	-	334,225	2,187,177
12.010 - Fund Bal June 30 for Cert of Obligations	5,311,143	5,217,821	5,752,345	5,911,817	6,371,720	6,704,237
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	5,311,143	5,217,821	5,752,345	5,911,817	6,371,720	6,704,237

State Funding Budget Process and May Financial Forecast

At the start of the state's FY 2024 and 2025 budget process the Governor introduced these key elements regarding the Fair School Funding Plan which started July 1, 2022:

- The FSFP would continue.
- It would be funded at the same 2018 base cost calculations
- Original phase-ins of the new formula would continue

While there is no legislatively approved state budget, the May forecast as prepared assumes the Governor's proposal. The 2018 base cost components as used in FY 2022 and 2023 and proposed by the Governor would be extended as follows:

- Base per pupil cost (funding) is calculated at the 2018 level through FY 2027
- FSFP phase-in continues until culminating at 100% phased-in by FY 2027

The Ohio House of Representatives introduced an amendment to the Governor's proposal that would update the base cost components to the 2022 cost data. This change is potentially significant for many districts, however some districts will benefit only minimally or not at all. While the state budget deliberations continue the 2022 base cost was modeled to see the potential impact on the district's forecast. This is only an estimate and is intended to show relative potential significance. The modeling assumes:

- That the 2022 base cost components will be used in FY 2024 and 2025.
- The 2022 base cost components will be updated to 2024 cost data in FY 2026 and 2027.
- That the formula is fully phased-in by FY 2027.

For our district the annual impact on revenue Over/(Under) the current forecast modeling is reflected below along with a cumulative potential impact on the district's cash balance. If warranted the Board may be asked to approve an amended forecast in June.

Other Observations:

Mohawk Local SD

FY23 May Forecast - State Funding Update V2

Current Forecast Annual Difference (Over/Under) Compared to Base Forecast

State Line Item No	State Line Item No and Description	Amount				
		2023	2024	2025	2026	2027
Total		\$-496	\$-804	\$-1,489	\$-3,633	\$-6,497
Property Taxes		\$0	\$0	\$0	\$0	\$0
	1.010 General Property Tax (Real Estate)	\$0	\$0	\$0	\$0	\$0
	1.020 Tangible Personal Property Tax	\$0	\$0	\$0	\$0	\$0
	1.050 Property Tax Allocation	\$0	\$0	\$0	\$0	\$0
	11.020 Property Tax - Renewal or Replacement	\$0	\$0	\$0	\$0	\$0
Income Taxes		\$0	\$0	\$0	\$0	\$0
	1.030 Income Tax	\$0	\$0	\$0	\$0	\$0
	11.010 Income Tax - Renewal	\$0	\$0	\$0	\$0	\$0
State Aid		\$-496	\$-804	\$-1,489	\$-3,633	\$-6,497
	1.035 Unrestricted State Grants-in-Aid	\$-470	\$-35,574	\$-49,258	\$-93,841	\$-114,365
	1.040 Restricted State Grants-In-Aid	\$-26	\$8,270	\$47,769	\$89,908	\$108,868
All Other Revenue		\$0	\$0	\$0	\$0	\$0
	1.045 Restricted Federal Grants-in-Aid - SFSP	\$0	\$0	\$0	\$0	\$0
	1.060 All Other Revenues	\$0	\$0	\$0	\$0	\$0
	2.040 Operating Transfers-In	\$0	\$0	\$0	\$0	\$0
	2.050 Advances-In	\$0	\$0	\$0	\$0	\$0
	2.060 All Other Financing Sources	\$0	\$0	\$0	\$0	\$0
New Levies		\$0	\$0	\$0	\$0	\$0
	13.010 Income Tax - New	\$0	\$0	\$0	\$0	\$0
	13.020 Property Tax - New	\$0	\$0	\$0	\$0	\$0

Measure	2022	2023	2024	2025	2026	2027
Cumulative	\$0	\$-496	\$-800	\$-2,289	\$-6,222	\$-11,719