

Lexington Local School District

Richland 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				Average Change	Forecasted				
	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022			Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
Revenues										
1.010	General Property Tax (Real Estate)	\$10,822,283	\$11,292,852	11,602,669	3.5%	\$11,693,638	\$11,767,337	\$10,423,500	\$9,259,288	\$7,946,380
1.020	Public Utility Personal Property Tax	833,549	878,553	902,390	4.1%	928,801	929,740	930,680	931,621	932,562
1.030	Income Tax									
1.035	Unrestricted State Grants-in-Aid	10,172,461	10,449,573	8,920,072	-6.0%	8,621,894	8,633,911	8,645,973	8,658,082	8,670,238
1.040	Restricted State Grants-in-Aid	145,714	123,352	250,324	43.8%	532,023	532,023	532,023	532,023	532,023
1.045	Restricted Federal Grants-in-Aid - SFSF / "Edjobs"									
1.050	Property Tax Allocation	1,702,234	1,724,714	1,755,341	1.5%	1,764,118	1,760,589	1,757,068	1,753,554	1,750,047
1.060	All Other Revenues	653,791	563,257	524,527	-10.4%	713,083	717,284	724,221	731,429	738,916
1.070	Total Revenues	24,330,032	25,032,301	23,955,323	-0.7%	24,253,556	24,340,885	23,013,465	21,865,996	20,570,166
Other Financing Sources										
2.010	Proceeds from Sale of Notes									
2.020	State Emergency Loans and Advancements (Approved)									
2.040	Operating Transfers-In									
2.050	Advances-In									
2.060	All Other Financing Sources	162,612	402,741	30,882	27.7%	50,000	100,000	100,000	100,000	100,000
2.070	Total Other Financing Sources	162,612	402,741	30,882	27.7%	50,000	100,000	100,000	100,000	100,000
2.080	Total Revenues and Other Financing Sources	24,492,644	25,435,042	23,986,205	-0.9%	24,303,556	24,440,885	23,113,465	21,965,996	20,670,166
Expenditures										
3.010	Personal Services (Salaries and Wages)	13,255,392	12,963,454	13,702,840	1.8%	14,326,979	14,692,560	15,007,754	15,007,754	15,007,754
3.020	Employees' Retirement/Insurance Benefits	6,502,583	6,709,071	6,669,619	1.3%	6,966,042	7,265,883	7,557,385	7,811,493	8,077,785
3.030	Purchased Services	3,748,897	3,817,315	2,399,883	-17.7%	2,529,090	2,567,527	2,783,637	2,825,203	2,867,486
3.040	Supplies and Materials	752,465	614,836	734,016	0.5%	746,791	756,557	766,772	777,147	787,686
3.050	Capital Outlay	45,485	32,719	41,001	-1.4%	46,423	47,351	48,298	49,264	50,249
3.060	Intergovernmental									
Debt Service:										
4.010	Principal-All (Historical Only)									
4.020	Principal-Notes									
4.030	Principal-State Loans									
4.040	Principal-State Advancements									
4.050	Principal-HB 264 Loans									
4.055	Principal-Other									
4.060	Interest and Fiscal Charges									
4.300	Other Objects	293,297	283,826	316,243	4.1%	319,253	323,058	326,915	330,823	334,784
4.500	Total Expenditures	24,598,119	24,421,221	23,863,602	-1.5%	24,934,577	25,652,936	26,490,761	26,801,685	27,125,745
Other Financing Uses										
5.010	Operating Transfers-Out	180,000	6,000		-98.3%					
5.020	Advances-Out									
5.030	All Other Financing Uses									
5.040	Total Other Financing Uses	180,000	6,000		-98.3%					
5.050	Total Expenditures and Other Financing Uses	24,778,119	24,427,221	23,863,602	-1.9%	24,934,577	25,652,936	26,490,761	26,801,685	27,125,745
6.010	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	285,475-	1,007,821	122,603	-270.4%	631,020-	1,212,052-	3,377,295-	4,835,689-	6,455,579-
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	9,513,318	9,227,843	10,235,664	4.0%	10,358,267	9,727,247	8,515,195	5,137,900	302,211

7.020	Cash Balance June 30	9,227,843	10,235,664	10,358,267	6.1%	9,727,247	8,515,195	5,137,900	302,211	6,153,368-
8.010	Estimated Encumbrances June 30	269,184	423,315	62,321	-14.0%	90,000	90,000	85,000	85,000	85,000
	Reservation of Fund Balance									
9.010	Textbooks and Instructional Materials									
9.020	Capital Improvements									
9.030	Budget Reserve	87,929	87,929	87,929		87,929	87,929	87,929	87,929	87,929
9.040	DPIA									
9.045	Fiscal Stabilization									
9.050	Debt Service									
9.060	Property Tax Advances									
9.070	Bus Purchases									
9.080	Subtotal	87,929	87,929	87,929		87,929	87,929	87,929	87,929	87,929
10.010	Fund Balance June 30 for Certification of Appropriations	8,870,730	9,724,420	10,208,017	7.3%	9,549,318	8,337,266	4,964,971	129,282	6,326,297-
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal									
11.020	Property Tax - Renewal or Replacement							1,350,000	2,700,000	4,040,000
11.300	Cumulative Balance of Replacement/Renewal Levies							1,350,000	4,050,000	8,090,000
12.010	Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations	8,870,730	9,724,420	10,208,017	7.3%	9,549,318	8,337,266	6,314,971	4,179,282	1,763,703
	Revenue from New Levies									
13.010	Income Tax - New									
13.020	Property Tax - New									
13.030	Cumulative Balance of New Levies									
14.010	Revenue from Future State Advancements									
15.010	Unreserved Fund Balance June 30	8,870,730	9,724,420	10,208,017	7.3%	9,549,318	8,337,266	6,314,971	4,179,282	1,763,703
	ADM Forecasts									
20.010	Kindergarten - October Count					144	144	144	144	144
20.015	Grades 1-12 - October Count					2190	2190	2190	2190	2190
	State Fiscal Stabilization Funds and Edjobs									
21.010	Personal Services SFSF									
21.020	Employees Retirement/Insurance Benefits SFSF									
21.030	Purchased Services SFSF									
21.040	Supplies and Materials SFSF									
21.050	Capital Outlay SFSF									
21.060	Total Expenditures - SFSF									

See accompanying summary of significant forecast assumptions and accounting policies
Includes: General Fund, State Fiscal Stabilization Fund, Edjobs Fund

					Salaries and Benefits as a % of Total Revenues				
81.2%	78.6%	85.0%		87.8%	90.2%	98.1%	104.4%	112.2%	
					True Days Cash				
132	145	156		140	119	68	2	(85)	

Lexington Local Schools (Richland County)
5-Year Financial Forecast Assumptions - Oct, FY 2023

INTRODUCTION

This 5-Year Financial Forecast is a tool used to project General Fund revenues and expenditures over a five-year period, using in-depth analysis and the identification of trends in revenues and expenses. The District Treasurer works cooperatively with the Superintendent on the preparation of these projections. The Lexington Board of Education reviews the summary forecast and all supporting documents, and is the final authority for the approval of this forecast. The forecast is completed using assumptions made to the best of our knowledge and belief at the time of formal Board acceptance. The Treasurer is responsible for the reasonableness of the assumptions on which the forecast is based. Differences between the forecasted amounts and actual results may arise when unexpected events and circumstances occur and/or due to changes in State law. Those differences can be material in certain circumstances.

The following assumptions were used in the calculation of forecasted amounts:

REVENUES

Line #

- 1.010 **Property Taxes (Real Estate)**
Tax estimates for the current year are based on historic increases and actual amounts received in past settlements. For FY22 and subsequent years, tax revenue estimates are based on estimated valuations and historical growth patterns, including updates in Tax Year 2020 and a reappraisal conducted in Tax Year 2023. For Fiscal Year 2023 and subsequent years, increases in valuation and the impact of reaching the 20 mill floor are reflected in the forecasted figures. The forecast assumes consistent property valuations in forecasted years and takes into account the 10 year renewal of both a 7.9 mill Emergency Levy in March 2016 and an 8.0 mill Emergency Levy in May 2014.
Although new levies may be proposed during the forecasted period, no revenue from new General Fund levies is currently included in this forecast.
- 1.020 **Public Utility Personal Property Taxes**
Increases are included for public utility personal property as a result of increased valuations. Additionally, the forecast takes into account the renewal of both a 7.9 mill Emergency Levy in March 2016 and an 8.0 mill Emergency Levy in May 2014.
- 1.030 **Income Tax**
The District has no school district income tax revenue.
- 1.035 **State Foundation**
Revenue from State Foundation has been calculated using the State foundation funding model. The forecast assumes fairly consistent student population in forecasted years. The forecast has been updated to incorporate the State funding changes to K-12 districts beginning in FY22. With this new funding formula, the forecast incorporates Student Wellness and Success Funding into the General Fund forecast and reductions resulting from open enrollment, community school, and other reductions that were formerly recorded as expenditure items but are now reductions to revenue as part of the new State formula. The forecast also assumes continuation of casino revenues projected in FY23 and subsequent years with forecasted amounts restored to levels received prior to Covid-19 for forecasted years FY23 and beyond.
- 1.040 **Restricted Grants - Career Tech and Economic Disadvantaged Funding**
This is revenue from the State, specifically for vocational and career technical programs and economic disadvantaged funding. The forecast assumes no significant increases or fluctuations for FY23 and beyond.
- 1.050 **Property Tax Allocation**
The property tax homestead and rollback reimbursement is calculated based on property tax revenues. This line includes no TPP reimbursement from the State. The forecast takes into account the renewal of both a 7.9 mill Emergency Levy in March 2016 and an 8.0 mill Emergency Levy in May 2014 with very minimal anticipated fluctuations.
- 1.060 **All Other Revenue**
Revenues from all other sources include investment income, students fees, and refunds received. The forecast takes into account decreases in student fee revenue due to the waiver in HB1. Given market conditions, the forecast also reflects increases in projected investment revenue as a result of District investments and interest rate increases throughout the market for FY23 with a stabilization of investment income in future years. The forecast includes an increase in Other Financing Sources in FY21 due receipt of approximately \$290k in BWC rebate issued during FY21. The forecast for FY23 and beyond does not project such a rebate from BWC for subsequent years.
- 2.010 **Proceeds from Notes**
No General Fund borrowing is anticipated during the forecast period.
- 2.050 **Advances In**
This line item shows advances repaid to the General Fund. There are no additional outstanding advances to be repaid in FY22 or beyond.
- 2.060 **All Other Financing Sources**
Revenue on these lines accounts for sale or loss of assets and refunds of prior year expenditures, including E-rate and SERS refunds.

EXPENDITURES

Line #

- 3.010 **Personal Services**
The amounts for salaries and benefits are based on existing collective bargaining agreements with the Lexington Teachers' Association and the Lexington Support Association through August 2025. For periods beyond these agreements, no increase is included on base salary amounts for employees and the forecast does not include any step increases, thus reflecting the minimum cost under current staffing levels for FY26 and FY27. The salary amounts include estimated severance payments to employees eligible for retirement through the forecast period. The District anticipates some savings by replacing retirees with less experienced personnel. The forecast includes salaries related to the start of a preschool at the District in FY15 and the expansion of an additional preschool unit beginning in FY17. The forecast includes the use of ESSER funding as opposed to the General Fund for the continuation of pay and applicable benefits for certain District positions during FY21.

Lexington Local Schools (Richland County)
5-Year Financial Forecast Assumptions - Oct, FY 2023

3.020 Employees' Benefits

This line item includes the following employee benefits: retirement, medical insurance, dental insurance, life insurance, Medicare, workers' compensation, and tuition reimbursement. The forecast incorporates January 1st anticipated premium renewal increases ranging between 5%-10% for FY23 and beyond. While 8% is the maximum premium increase before the option of reopening insurance negotiations, as stated within negotiated agreements, there are instances in which the 8% may be exceeded and no reopener is initiated as we are experiencing for January 1, 2023 with a 10% increase. Based on most recent negotiations and related changes to the District insurance program, no increase in self insurance rates was experienced for January 1, 2021. A 3% increase was experienced for January 1, 2022, and a 10% increase is expected for January 1, 2023, which is also reflected within the forecast. The forecast also includes payment of SERS surcharge and other employee benefits as provided in the collective bargaining agreements with both the teaching and non-teaching unions. The actual benefit cost in FY20 also includes a one-month premium holiday for medical and dental insurance. No such premium holidays are assumed for FY23 or beyond. The forecast includes the use of ESSER funding as opposed to the General Fund for the continuation of pay and applicable benefits for certain District positions in FY21.

3.030 Purchased Services

Anticipated expenditures in these areas are based on historical patterns and cost containments the Board of Education implements for each fiscal year. Purchased services include contracted services such as speech therapy, classroom aides, computer services, utilities, tuition for students with special needs, open enrollment, community schools, post-secondary education, and property & bus insurance. Purchased services previously included costs associated with student transfers due to open enrollment, community schools, and other transfers. However, under the new funding formula, these are now classified as reductions to foundation revenue. The forecast reflects these changes. Future forecasted increases for FY23 and beyond are included for purchased services for FY23 and beyond as psychology, special education, and itinerant services are obtained through Mid Ohio ESC. The forecast also reflects savings in therapy services as a result of contract changes beginning in FY20 but also includes increases in student therapy needs of our students. The forecast also includes anticipated savings as a result of reduced aide services beginning in FY21. The forecast also reflects tuition costs associated with student participation in the College Credit Plus program. For FY21 through FY24, the forecast includes the use of ESSER funding as opposed to the General Fund for certain District purchase services for expanded student learning opportunities and other costs for services incurred in response to the pandemic and to meet student needs.

3.040 Supplies and Materials

This line item includes anticipated expenditures for instructional, administrative, maintenance, and transportation supplies, including fuel for buses. The forecast also reflects increased book costs associated with student participation in the College Credit Plus program. Fuel costs and other variable expenditures (i.e. utilities, copier costs, etc.) were restored to historical cost patterns for FY21 and beyond as a result of being back in session beginning at the start of the FY21 school year. For FY21 through FY24, the forecast includes the use of ESSER funding as opposed to the General Fund for certain District supply costs incurred in response to the pandemic and to meet student needs. For FY23, the forecast includes increases caused by inflationary pressures with a leveling off in FY24 and beyond.

3.050 Capital Outlay

Expenditures for capital outlay include computers, copiers, and any other equipment or improvements that have a life of more than five years. Voters approved a 2.7 mill Permanent Improvement Levy in 1995 and the District has shifted many capital purchases to the Permanent Improvement Fund. The District is in compliance with the percentage expenditure requirements established by SB345.

4.010 Debt Service

4.060 No General Fund borrowing is anticipated during the forecast period.

4.300 Other Objects

This figure includes tax collection fees to county auditors, audit fees, bank charges, liability insurance, and other misc. expenditures.

5.010 Transfers and Advances Out

The forecast includes transfer of \$180,000 to the Food Service Fund due to a deficit balance during FY20. The necessary transfer required for FY20 was a direct result of the closures caused by COVID-19. Past modifications to food service operations were previously approved by the Board in an effort to reduce costs and assist to alleviate future deficit balances for the food service fund. No transfer for Food Service was necessary for FY21 or FY22 due to additional Federal funding to offset costs during district closures as well as expansion of the Federal School Lunch Program. A \$6,000 transfer to the Athletic Fund was necessary for FY21 as a result of reduced attendance caused by COVID-19. No estimated future Food Service or Athletic transfers are included within projections for FY23 and beyond. Any further anticipated transfers or advances will be incorporated into the forecast as approved by the Board of Education. Where applicable for FY21 and beyond, the forecast includes the use of ESSER funding as opposed to the General Fund for the continuation of pay and applicable benefits for certain District food service positions during closure.

OTHER

6.010 Excess of Revenues over (under) Expenditures

This line represents the difference between revenues and expenditures for the fiscal year. A negative number indicates deficit spending for that specific fiscal year.

8.010 Encumbrances

This amount represents orders that have been placed but not yet paid in the fiscal year, and are based on historical amounts of outstanding orders at fiscal year end.

9.030 Reserves

This line represents reserves from a Workers Compensation refund that the District is holding for future expenditures and emergency needs.

11.020 Revenue from Renewal Levies

This line represents revenue from potential renewal levies that have not yet been approved by voters. The revenue cannot be included in the top portion of the forecast until approved by voters. However, the forecast takes into account the renewal of both a 7.9 mill Emergency Levy in March 2016 and an 8.0 mill Emergency Levy in May 2014. Therefore, the only unapproved anticipated renewal levies included within this line of the forecast include the renewal of the 8.0 mill Emergency Levy in FY25 and FY26.

13.020 Revenue from New Levies

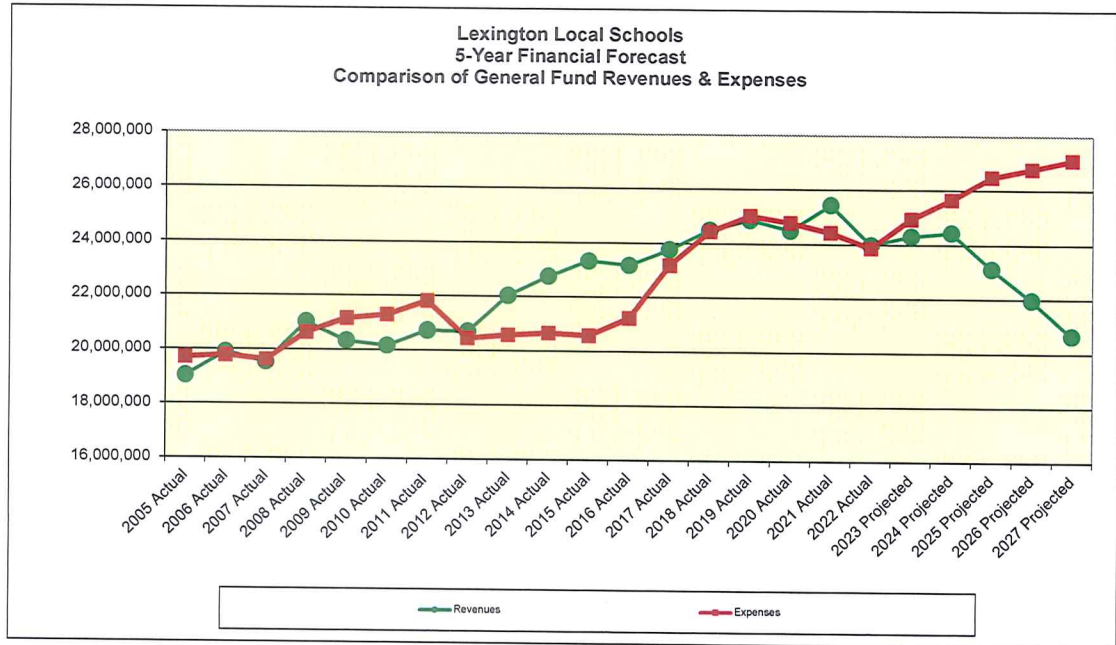
This line represents any new levies that the District may propose. While future new levies may be necessary, the District is currently not proposing any new operating levies during this forecasted period.

15.010 Unreserved Fund Balance June 30

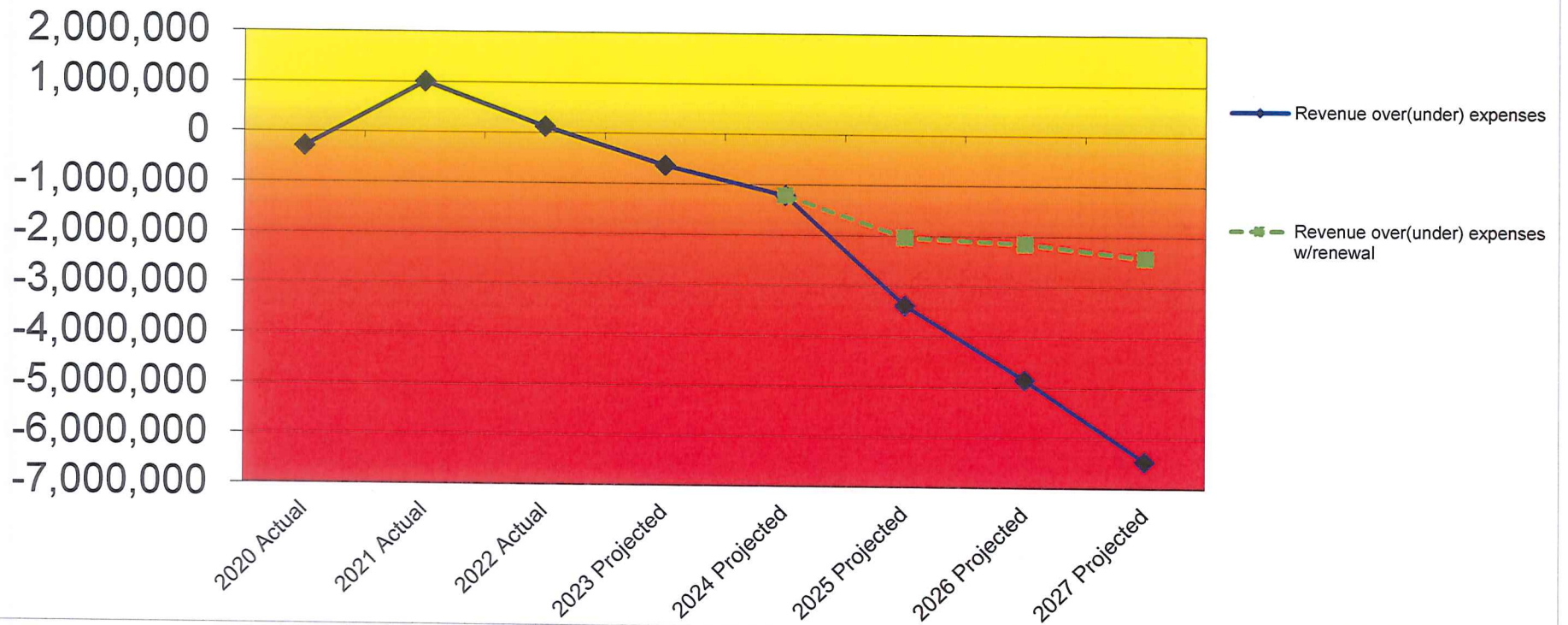
This line represents the forecasted unreserved cash balance in the General Fund at the end of the fiscal year.

	Fiscal Year 2005 Actual	Fiscal Year 2006 Actual	Fiscal Year 2007 Actual	Fiscal Year 2008 Actual	Fiscal Year 2009 Actual	Fiscal Year 2010 Actual	Fiscal Year 2011 Actual	Fiscal Year 2012 Actual	Fiscal Year 2013 Actual	Fiscal Year 2014 Actual	Fiscal Year 2015 Actual	Fiscal Year 2016 Actual
Revenues	19,026,136	19,903,400	19,537,159	21,017,339	20,331,301	20,167,956	20,732,204	20,704,996	22,026,411	22,754,029	23,322,654	23,175,551
Expenses	19,707,535	19,789,054	19,624,905	20,643,140	21,173,540	21,308,823	21,828,914	20,471,238	20,603,182	20,675,961	20,591,147	21,240,991

	Fiscal Year 2017 Actual	Fiscal Year 2018 Actual	Fiscal Year 2019 Actual	Fiscal Year 2020 Actual	Fiscal Year 2021 Actual	Fiscal Year 2022 Actual	Fiscal Year 2023 Projected	Fiscal Year 2024 Projected	Fiscal Year 2025 Projected	Fiscal Year 2026 Projected	Fiscal Year 2027 Projected
Revenues	23,769,841	24,495,511	24,868,805	24,492,644	25,435,042	23,986,205	24,303,556	24,440,885	23,113,465	21,965,996	20,670,166
Expenses	23,185,223	24,438,565	25,019,245	24,778,119	24,427,221	23,863,602	24,934,577	25,652,936	26,490,761	26,801,685	27,125,745



**Lexington Local Schools
5-Year Financial Forecast
General Fund Trend of Net Gain (Loss) by Fiscal Year**



Fiscal Year	Fiscal Year	Fiscal Year	Forecasted Fiscal Year	Forecasted Fiscal Year	Forecasted Fiscal Year	Forecasted Fiscal Year	Forecasted Fiscal Year
2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 FORECASTED	2024 FORECASTED	2025 FORECASTED	2026 FORECASTED	2027 FORECASTED
\$ 8,870,730	\$ 9,724,420	\$ 10,208,017	\$ 9,549,318	\$ 8,337,266	\$ 6,314,971	\$ 4,179,282	\$ 1,763,703

