MADISON LOCAL SCHOOL DISTRICT-RICHLAND COUNTY

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCES FOR THE FISCAL YEARS ENDED
JUNE 30, 2021, 2022, and 2023 ACTUAL
FORECASTED FISCAL YEARS ENDING
JUNE 30, 2024, THROUGH JUNE 30, 2028**

**Forecast Provided By
Madison Local School District
Treasurer's Office
Bradd Stevens, Treasurer/CFO**

November 29, 2023

Madison Local School District

Richland County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2021, 2022, 2023 Actual;
Forecasted Fiscal Year Ending June 30, 2024 through 2028

		Actual				Forecasted				
		Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Average Change	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
	Revenues									
1.010	General Property Tax (Real Estate)	9,865,381	9,880,313	10,013,973	0.8%	12,054,028	13,457,854	13,580,778	13,858,055	14,072,396
1.020	Public Utility Personal Property Tax	1,654,190	1,777,669	1,948,626	8.5%	2,259,419	2,582,524	2,770,224	2,953,133	3,144,183
1.030	Income Tax	0	0	0	0.0%	0	0	0	0	0
1.035	Unrestricted State Grants-in-Aid	17,960,616	15,195,673	16,168,095	-4.5%	17,496,227	18,120,509	18,473,379	18,833,288	19,200,399
1.040	Restricted State Grants-in-Aid	1,545,371	2,150,013	2,087,213	18.1%	2,091,142	2,139,477	2,139,477	2,139,477	2,139,477
1.045	Restricted Federal Grants In Aid	0	0	0	0.0%	0	0	0	0	0
1.050	State Share of Local Property Taxes	2,241,868	2,022,915	1,828,073	-9.7%	1,708,290	1,607,896	1,469,471	1,500,868	1,531,891
1.060	All Other Revenues	2,137,525	1,149,413	1,165,808	-22.4%	1,264,275	1,265,384	1,273,985	1,282,812	1,141,776
1.070	*Total Revenues*	35,404,951	32,175,996	33,211,788	-3.0%	36,873,381	39,173,644	39,707,314	40,567,633	41,230,122
	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 and Advancements (Approved)	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	0	102,915	0	0.0%	21,000	0	0	0	0
2.060	All Other Financing Sources	888,651	290,319	137,298	-60.0%	137,298	137,298	137,298	137,298	137,298
2.070	*Total Other Financing Sources*	888,651	393,234	137,298	-60.4%	158,298	137,298	137,298	137,298	137,298
2.080	*Total Revenues and Other Financing Sources*	36,293,602	32,569,230	33,349,086	-3.9%	37,031,679	39,310,942	39,844,612	40,704,931	41,367,420
	Expenditures									
3.010	Personal Services	17,188,441	17,454,848	18,518,085	3.8%	18,964,087	19,296,608	19,778,375	20,163,657	20,670,227
3.020	Employees' Retirement/Insurance Benefits	10,070,631	11,415,589	12,115,743	9.7%	12,807,628	13,507,644	14,303,683	15,128,827	16,042,952
3.030	Purchased Services	7,401,420	3,820,097	4,167,986	-19.6%	3,800,362	3,844,838	3,914,658	3,987,719	4,062,850
3.040	Supplies and Materials	906,334	700,805	963,242	7.4%	840,043	975,420	977,323	979,256	981,195
3.050	Capital Outlay	221,228	259,452	230,439	3.0%	318,193	338,568	504,568	338,568	504,568
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	0.0%	0	0	0	0	0
4.300	Other Objects	364,583	415,947	407,769	6.1%	424,307	428,550	432,835	437,164	441,536
4.500	*Total Expenditures*	36,152,637	34,066,738	36,403,264	0.5%	37,154,620	38,391,628	39,911,442	41,035,191	42,703,328
	Other Financing Uses									
5.010	Operating Transfers-Out	35,000	25,000	45,000	25.7%	10,000	10,000	10,000	10,000	10,000
5.020	Advances-Out	102,915	0	21,000	0.0%	0	0	0	0	0
5.030	All Other Financing Uses	0	0	0	0.0%	0	0	0	0	0
5.040	*Total Other Financing Uses*	137,915	25,000	66,000	41.1%	10,000	10,000	10,000	10,000	10,000
5.050	*Total Expenditures and Other Financing Uses*	36,290,552	34,091,738	36,469,264	0.5%	37,164,620	38,401,628	39,921,442	41,045,191	42,713,328
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	3,050	(1,522,508)	(3,120,178)	-24956.7%	(132,941)	909,314	(76,830)	(340,260)	(1,345,908)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	6,529,297	6,532,348	5,009,840	-11.6%	1,889,662	1,756,721	2,666,035	2,589,205	2,248,945
7.020	*Cash Balance June 30*	6,532,347	5,009,840	1,889,662	-42.8%	1,756,721	2,666,035	2,589,205	2,248,945	903,037
8.010	*Estimated Encumbrances June 30*	0	0	0	0.0%	0	0	0	0	0
`	**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*	0	0	0	0.0%	0	0	0	0	0
10.010	*Fund Balance June 30 for Certification of Appropriations*	6,532,347	5,009,840	1,889,662	-42.8%	1,756,721	2,666,035	2,589,205	2,248,945	903,037
	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	992,546
11.300	Cumulative Balance of Replacement/Renewal Levies				0.0%	0	0	0	0	992,546
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	6,532,347	5,009,840	1,889,662	-42.8%	1,756,721	2,666,035	2,589,205	2,248,945	1,895,583
	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
14.010	Revenue from Future State Advancements	0	0	0	0.0%	0	0	0	0	0
15.010	*Unreserved Fund Balance June 30*	6,532,347	5,009,840	1,889,662	-42.8%	1,756,721	2,666,035	2,589,205	2,248,945	1,895,583

Madison Local School District – Richland County
Notes to the Five-Year Forecast
General Fund Only
November 29, 2023

A forecast is like a future painting based on a snapshot of today. That snapshot, however, will be adjusted because the further into the future the forecast extends, the more likely it is that the projections will deviate from experience. Various 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 a crucial management tool and must be updated periodically. The five-year forecast enables 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 significantly change their forecast or, at a minimum when required under the 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 of the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are fundamental 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 of the school district with any questions you may have. The Treasurer/CFO submits the forecast, but the Board of Education is recognized as the official owner of the forecast.

Here are three essential 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.

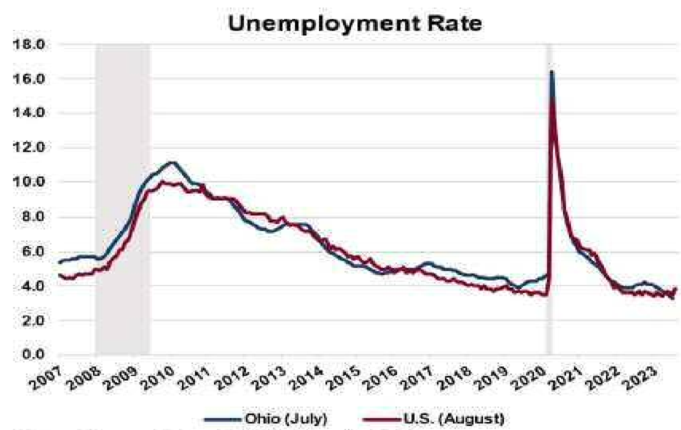
O.R.C. §5705.391 and O.A.C. 3301-92-04 require a Board of Education (BOE) to file a five-year financial forecast by November 30, 2023, and May 31, 2024, for the fiscal year 2024 (July 1, 2023, to June 30, 2024). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The fiscal year 2024 (July 1, 2023-June 30, 2024) 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 2023 filing.

Economic Outlook

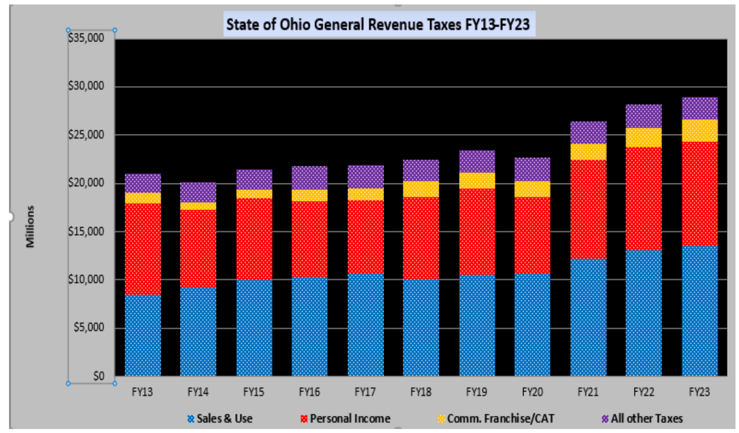
This five-year forecast is submitted during the multiyear economic recovery following the 2020 COVID-19 Pandemic. The recovery began in the fall of 2020 and remains robust through this forecast date. Many supply chain concerns have lessened as manufacturing has caught up. However, persistently high inflation 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 the current annualized rate of 3.4% in August 2023. Costs in FY23 were notably impacted in areas such as capital and durable goods, diesel fuel for buses, electric, natural gas, and building materials for facility maintenance and repair. Increased inflation affecting district costs is expected to continue in FY24. However, the Federal Reserve is projecting inflation to be closer to their target rate of 2% sometime in calendar year 2024. It remains to be seen if the cumulative cost increases over the past two years are transitory in goods and services or will last over several years, which could adversely affect our forecast.

The Federal Reserve Bank has made fighting inflation its number one concern. Interest rates are expected to increase again before December 2023, which may result in increased unemployment. Still, many economists anticipate a "full employment recession" in the first half 2024. In the history of our country, there has never been a full employment recession. However, the possibility of one underscores why this is a unique time in our economic history.

As noted in the graphs below, the State of Ohio has enjoyed economic growth over the past three years, and the State's Rainy Day Fund is at $3.7 Billion, which is a record high. School funding cuts made in FY20 have been fully restored, and a new state funding formula is in the third year of a projected six-year phase-in. While increased inflation affecting district costs is expected to continue over the next few years, the state's economy has grown, and many school districts received new funding in HB33 for FY24 and FY25. The ongoing growth in Ohio's economy should enable the State to continue the phase-in of the new funding formula even if a cyclical recession occurs. Regardless, the State is well positioned to continue State aid payments to Ohio's school districts.



Source: Bureau of Labor Statistics through FRED



Source: Ohio Office of Budget and Management

While all school districts are being aided by three (3) rounds of federal Elementary and Secondary Schools Emergency Relief Funds (ESSER), which began in 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 delays noted above but also due to state legislative changes that will occur in the spring of 2025 and 2027 due to deliberation of the following two (2) State biennium budgets for FY26-27 and FY28-29, both of which affect this five-year forecast. We have estimated revenues and expenses based on the best data available and the laws currently in effect. The items below give a short description of the current issues, and how they may affect our forecast in the long term:

1) Property tax collections are the second largest 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 continued modest increases in local taxes as the pandemic ends and the economy continues its recovery as anticipated. Total local revenues, which are predominately local taxes, equate to 42.2% of the district's resources. Our tax collections in the March 2023 and August 2023 settlements were on target with original estimates. We believe there is a low risk that local collections would fall below projections throughout the forecast.

2) Richland County experienced a triennial update in the 2020 tax year to be collected in FY21. The 2020 update increased overall assessed values by $41.7 million or an increase of 13.5%. A reappraisal will occur in tax year 2023 for collection in FY24. We anticipate value increases for Class I and II property by $57.1 million for an overall increase of 15.9%. There is, however, always a minor risk that the district could sustain a reduction in values in the next appraisal update but we do not anticipate that at this time.

3) The state budget represented 57.8% of district revenues, which means it is a significant risk to the revenue. The future risk comes in FY26 and beyond if the state economy stalls due to the record high inflation or the Fair School Funding Plan is not funded in future state budgets due to an economic recession. In this forecast, two forthcoming State biennium budgets cover FY26-27 and FY28-29. Future uncertainty in the state foundation funding formula and the state's economy

make this area an elevated risk to district funding long-range through FY28. We have projected our state funding in FY24 and FY25 based on the additional phase-in of HB33 (the Fair School Funding Plan). This forecast reflects state revenue to grow by 2% each year of the forecast beyond this biennium budget's funding, which we feel is conservative and should be close to what-the state approves for the FY26-FY28 biennium budgets. We will adjust the forecast in future years as we have data to help guide this decision.

4) HB33, the current state budget, continues to phase in what has been referred to as the Fair School Funding Plan (FSFP) for FY24 and FY25. FY24 reflects 50% of the implementation cost at year three of a six-year phase-in plan, which increases by 16.66% each year. FY25 will result in 66.66% funding of (FSFP), however, the final two years of the phase-in are not guaranteed. The FSFP has made 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. We have used the most recent simulations published by the Department of Education and Workforce for our forecasted revenues in FY24 and FY25.

5) HB33 directly pays costs associated with open enrollment, community and STEM schools, and all scholarships, including EdChoice Scholarships. These costs are no longer deducted from our state aid. However, education option programs such as College Credit Plus continue to be removed from state aid, increasing costs to the district. Expansion or creation of programs not directly paid by the state of Ohio can expose the district to new expenditures currently outside 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) The current state budget that ends June 30, 2023 continues the TPP Fixed Rate Reimbursement phase-out contained in Senate Bill (SB) 208 that will lower the payment we receive each year by the amount raised by five-eights (5/8) of 1 mill based on the 3 year average of assessed district values. We have estimated that this phase out will continue in our projections until TPP is finally gone in FY25 based on our estimates.

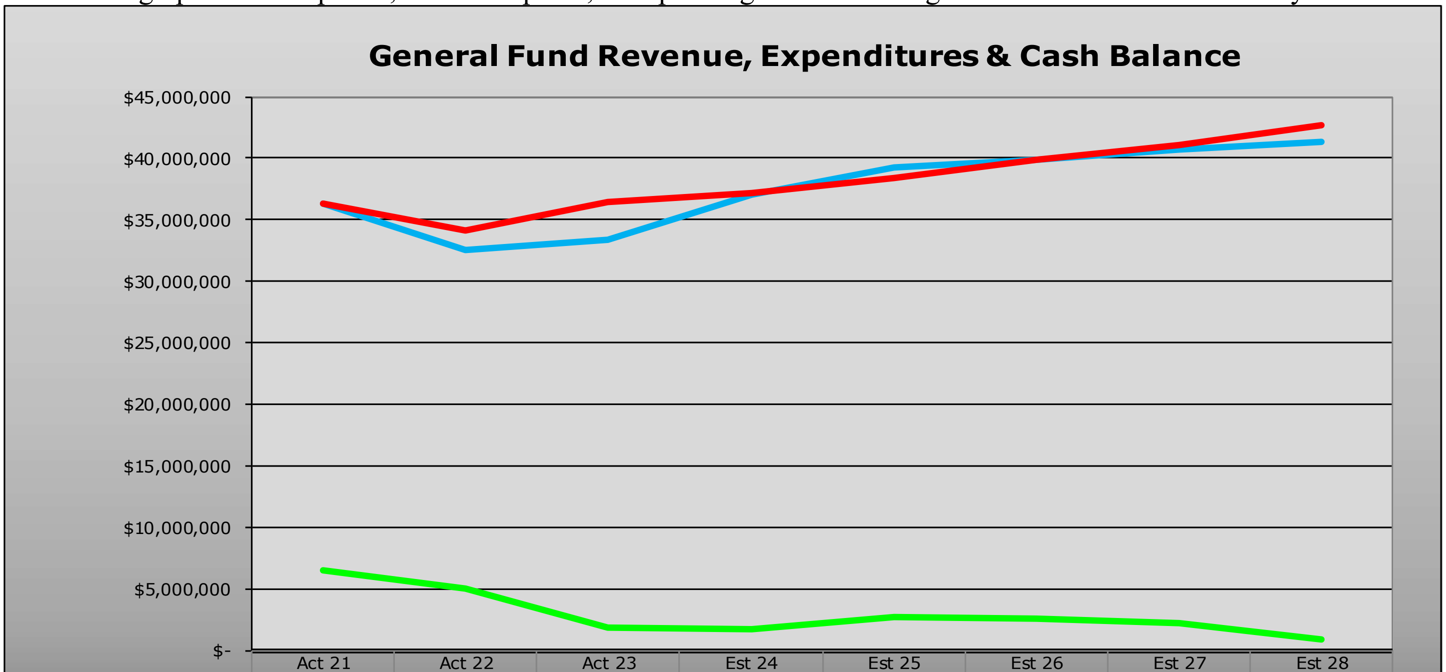
7) We would like to thank the community for their support to renew the 6.9 mill, five-year levy at the May 3, 2022 Primary Election. This levy is currently collecting at an effective Class I rate of 3.28 mills, and will now collect into Fiscal Year 2028. The renewal of this levy is critical to the district's financial health.

8) We would like to thank the community for their support in passing the new 7.5 mill, five-year levy at the November 7, 2023 General Election. This levy will raise approximately $3.4 million annually beginning with tax year 2023, to be collected in calendar year 2024. Passage of this levy was vital to sustaining the high quality programs that have been effective at raising student achievement. Staffing reductions will still need to be made in FY25 and potentially FY26 to maintain efficiency and balance a budget but the necessary reductions will not be as severe as they would have had to be had the levy failed.

The significant 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 assist the reader in reviewing the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please contact Bradd Stevens, Treasurer/CFO.

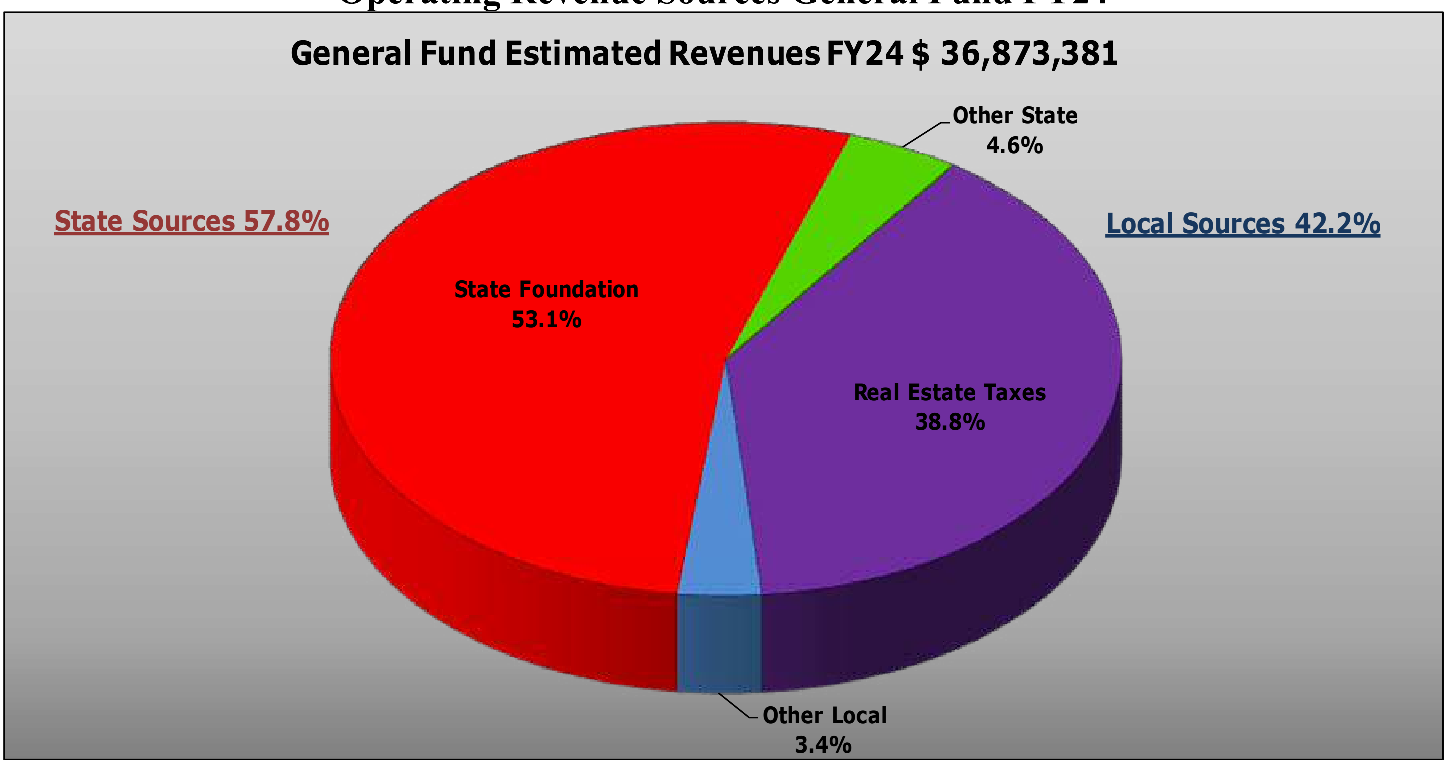
General Fund Revenue, Expenditures and Ending Cash Balance Actual FY21-23 and Estimated FY24-28

The graph below captures, in one snapshot, the operating scenario facing the district over the next few years.



	Act 21	Act 22	Act 23	Est 24	Est 25	Est 26	Est 27	Est 28
Revenue	$36,293,602	$32,569,230	$33,349,086	$37,031,679	$39,310,942	$39,844,612	$40,704,931	$41,367,420
Expenditures	$36,290,552	$34,091,738	$36,469,264	$37,164,620	$38,401,628	$39,921,442	$41,045,191	$42,713,328
Ending Bal.	$6,532,347	$5,009,840	$1,889,662	$1,756,721	$2,666,035	$2,589,205	$2,248,945	$903,037

Revenue Assumptions
Operating Revenue Sources General Fund FY24



Real Estate Value Assumptions – Line # 1.010

Property Values are established each year by the County Auditor based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values. Richland County experienced a triennial update for the 2020 tax year to be collected in FY21. Residential/agricultural values increased 17.1% or $41 million due to the update, led by an improving housing market.

For tax year 2022, new construction in residential property was up 0.5% or $1.6 million in assessed value, and commercial/industrial values increased $1.6 million. Overall values increased $3.2 million or 0.9%, which includes new construction for all classes of property.

A sexennial reappraisal will occur in 2023 for collection in FY24, for which we are estimating a 20% increase in residential and a 0.5% increase for commercial/industrial property. We anticipate residential/agricultural and commercial/industrial values to increase $57.2 million or 15.9%, overall.

Public Utility Personal Property (PUPP) values increased by $2.8 million in tax year 2022. We expect our values to continue to grow by a rolling five-year average each year of the forecast.

Estimated Assessed Value (AV) by Collection Years

Classification	Estimated TAX YEAR 2023 COLLECT 2024	Estimated TAX YEAR 2024 COLLECT 2025	Estimated TAX YEAR 2025 COLLECT 2026	Estimated TAX YEAR 2026 COLLECT 2027	Estimated TAX YEAR 2027 COLLECT 2028
Res./Ag.	$341,871,320	$342,948,655	$344,139,461	$414,264,538	$415,452,195
Comm./Ind.	75,840,029	77,175,306	78,549,821	79,879,243	81,222,258
Public Utility Personal Property (PUPP)	36,544,316	39,503,431	42,075,733	44,889,350	47,703,108
Total Assessed Value	$454,255,665	$459,627,392	$464,765,015	$539,033,130	$544,377,562

Tax Rates

The county auditor sets tax rates for each levy voted on to provide tax revenues for the school district. Ohio law (HB920) provides for "reduction factors" of all voted property tax levies to adjust the millage rates lower for the levy collections not to increase from inflation of property values for the taxes received by a district to that of the actual amount of the levy at the time of the election. The reduction factors are applied separately to Residential/Agriculture (Class I) and Commercial/Industrial (Class II), resulting in different effective millage rates. The district-voted rate for all levies is 60.40 mills while the Class I effective millage rate is 26.41 mills and the Class II effective millage rate is 51.45 mills. The Ohio law has a provision that the reduction factors cannot lower the total millage rate for each class less than 20 mills, which includes both the voted and the non-voted millage rates; this is called the "20-Mill Floor". Currently, our district is not on the floor for either Class I or Class II.

Estimated Real Estate Tax - Line #1.010

Source	FY24	FY25	FY26	FY27	FY28
General Property Taxes	$12,054,028	$13,457,854	$13,580,778	$13,858,055	$14,072,396

Estimated Real Estate Tax Collection

Property tax levies are estimated to be collected at 95% of the annual amount. This allows for a 5% delinquency factor. In general, 60% of the Residential/Agricultural and Commercial/Industrial property taxes are expected to be collected in the March tax settlement and 40% collected in the August tax settlement. Collections in FY23 were up $40 thousand due to additional delinquent taxes collected in the FY23 tax settlements; which is expected to continue in FY24.

Replacement/Renewal Levies – Line #11.30

The District renewed the 6.9 mill, five-year levy at the May 3, 2022 Primary Election. This levy passed with 58.61% support of the community, and is currently collecting at a Class I rate of 3.28 mills. This revenue has now returned to lines 1.01, 1.02 and 1.05 of this forecast. State law requires that renewal levies be removed from revenues on Line 1.01, 1.02 and 1.05 and shown on this line 11.02 of the forecast. The District will not see this levy return to line 11.02 until its expiration in calendar year 2027 or fiscal year 2028. Please note that renewal levies do not bring in additional tax revenues to the district unless they are substitute emergency levies. We are renewing levies for the same revenue we currently collect.

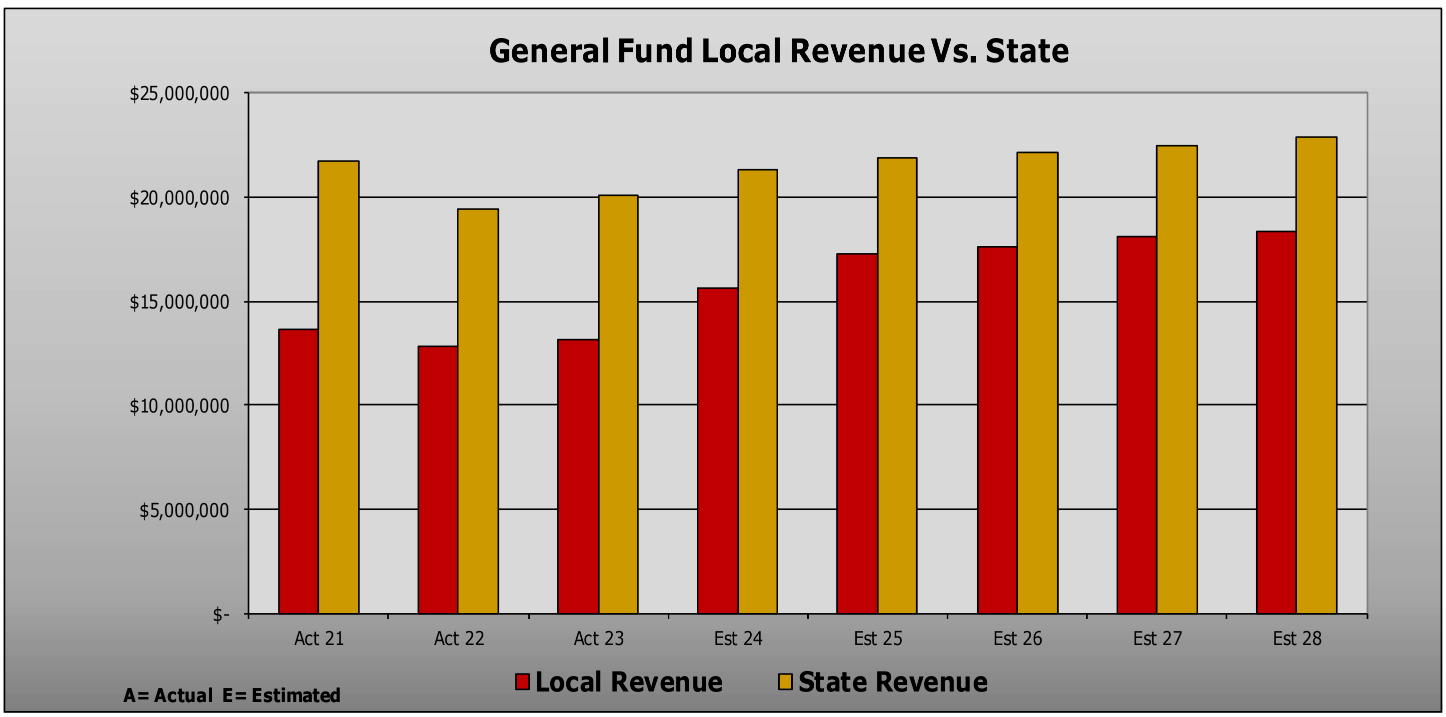
New Tax Levies – Line #13.030
We would like to thank the community for their support in passing the new 7.5 mill, five-year levy at the November 7, 2023 General Election. This levy will raise $3. 4 million annually beginning with tax year 2023, to be collected in calendar year 2024. Passage of this levy was vital to sustaining the high quality programs that have been effective at raising student achievement. Staffing reductions will still need to be made in FY25 and potentially FY26 to maintain efficiency and balance a budget but the necessary reductions will not be as severe as they would have had to be had the levy failed.

Estimated Public Utility Personal Tax – Line#1.020
The phase out of TPP taxes as noted earlier began in FY06 with HB66 that was adopted in June 2005. TPP tax assessments ended in FY11. The only amounts received after FY11 are from delinquent TPP taxes outstanding as of 2010.

Amounts noted below are public utility tangible personal property (PUPP) tax payments from public utilities. The values for PUPP are noted on the table above under Public Utility (PUPP), which were $33.6 million in assessed values in 2022 and are 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 2022 rose by 9.2% or $2.8 million and are expected to grow by a rolling five-year average each year of the forecast.

Source	FY24	FY25	FY26	FY27	FY28
Public Utility Personal Property (Line#1.020)	$2,259,419	$2,582,524	$2,770,224	$2,953,133	$3,144,183

School District Income Tax – Line#1.030
No school district income taxes are modeled in this forecast.



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

Current State Funding Model per HB33 through June 30, 2025
Unrestricted State Foundation Revenue – Line #1.035
HB33, the current state budget, continued the Fair School Funding Plan for FY24 and FY25. We have projected FY24 funding based on the October 2023 foundation settlement and funding factors.

Our district is currently a formula district in FY24 and is expected to continue on the formula in FY25-FY28 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, then HB110, as amended by HB583 for FY22 and FY23, with continuation of this formula in HB33 for FY24 and FY25. The current formula introduced 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 FY24 through FY28 compared to real data in FY21 through FY23 on Lines 1.035, 1.04, 1.06, and 3.03 of the forecasts.

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 current funding formula uses FY22 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 statewide average prices will not update for FY24 and FY25 and remain frozen at FY22 levels, while other factors impacting a district's local capacity will update for FY24. Base costs per pupil include 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 $8,242.19 per pupil in FY24, the FSFP calculates a state share percentage (SSP) calculation. The state share percentage, in concept, will be higher for districts with 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. HB33 increased the minimum state share from 5% in FY23 to 10% for FY24 and FY25. 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 the 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 the most recent three-year average federal adjusted gross income of district residents or the most recent year, whichever is lower, divided by base students enrolled.
3. 20% based on the most recent year's federal median income of district residents multiplied by the number of returns in that year divided by base students enrolled.
4. When the weighted values are calculated, and items 1 through 3 above are added together, the total is 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 multiplied by the local share multiplier index for each district. The result is the local per pupil capacity 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). It 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, not a specific amount. 10% will be reduced from all districts' calculations to be used toward the state appropriation for Catastrophic Cost reimbursement.
3. Transportation Aid – Funding is 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 37.5% in FY24 and 41.67% in FY25.

Restricted Categorical State Aid

1. Disadvantage Pupil Impact Aid (DPIA) - Formerly Economically Disadvantaged Funding is based on the number and concentration of economically disadvantaged students compared to the state average and multiplied by $422 per pupil. Phase-in increases are limited to 50% for FY24 and 66.67% in FY25.
2. English Learners – Based on funded categories based on the time students 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 are based on initiatives similar to those for DPIA. They are restricted funds for school climate, attendance, discipline, and academic achievement programs.

State Funding Phase-In FY24 and FY25 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 and has now extended the plan in HB33 for FY24 and FY25. The FSFP does not include caps on funding; instead, it will consist of a general phase-in percentage for most components of 50% in FY24 and 66.67% in FY25.

The funding formula 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 FY24 and FY25 than they received in FY21.

Future State Budget Projections beyond FY25

Our funding status for FY26-28 will depend on unknown (2) new state budgets. There is no guarantee that the current Fair School Funding Plan in HB33 will be funded or continued beyond FY25; therefore, our state funding estimates are reasonable, and we will adjust the forecast when we have authoritative data to work with. For this reason, funding is held constant in the forecast for FY26 through FY28.

Casino Revenue

On November 3, 2009, Ohio voters passed the Ohio casino ballot issue. This issue allowed four (4) casinos to open 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% of 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, beginning for the first time on January 31, 2013.

The casino revenue has recovered from the pandemic from closing the casinos in 2020. Total funding in FY21 was 73.83 million or $42.18 per pupil. In FY22, the funding was increased to $109.39 million for schools or $62.86 per pupil, and in FY23, the funding totaled $113.1 million or $64.90 per pupil. We expect the Casino revenues to have resumed their historical growth rate and are assuming a 2% annual growth rate for the remainder of the forecast.

Source	FY24	FY25	FY26	FY27	FY28
Basic Aid-Unrestricted	$16,863,298	$17,461,173	$17,810,396	$18,166,604	$18,529,936
Additional Aid Items	434,475	457,314	457,314	457,314	457,314
Basic Aid-Unrestricted Subtotal	$17,297,773	$17,918,487	$18,267,710	$18,623,918	$18,987,250
Credentials and Innovation	$20,025	$20,025	$20,025	$20,025	$20,025
Ohio Casino Commission ODT	178,429	181,997	185,644	189,345	193,124
Total Unrestricted State Aid Line # 1.035	$17,496,227	$18,120,509	$18,473,379	$18,833,288	$19,200,399

Restricted State Revenues – Line # 1.040

HB33 has continued Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged funding) and Career Technical funding. In addition, new restricted funds have been added under "Restricted Categorical Aid" for Gifted, English Learners (ESL), and Student Wellness. The amount of DPIA is limited to a 50% phase in growth for FY24 and 66.67% in FY25. We have flat-lined funding at FY25 levels for FY26-FY28 due to uncertainty on continued funding of the current funding formula.

Source	FY24	FY25	FY26	FY27	FY28
Disadvantaged Pupil Impact Aid (DPIA)	$719,904	$799,220	$799,220	$799,220	$799,220
English Learners (ESL)	1,713	2,792	2,792	2,792	2,792
Gifted	144,564	146,103	146,103	146,103	146,103
Career Tech Education	675,355	666,159	666,159	666,159	666,159
Student Wellness and Success	549,606	525,203	525,203	525,203	525,203
Total Restricted State Revenues Line #1.040	$2,091,142	$2,139,477	$2,139,477	$2,139,477	$2,139,477

Restricted Federal Grants in Aid – line #1.045

There are no federal restricted grants projected during this forecast.

Summary of State Foundation Revenues	FY24	FY25	FY26	FY27	FY28
Unrestricted Line # 1.035	$17,496,227	$18,120,509	$18,473,379	$18,833,288	$19,200,399
Restricted Line # 1.040	2,091,142	2,139,477	2,139,477	2,139,477	2,139,477
Rest. Fed. Grants - SFSF & Ed Jobs Line #1.045	0	0	0	0	0
Total State Foundation Revenue	$19,587,369	$20,259,986	$20,612,856	$20,972,765	$21,339,876

State Share of Local Property Taxes – Line #1.050
Rollback and Homestead Reimbursement

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

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 or older or disabled, regardless of income. Effective September 29, 2013, HB59 changed the requirement for Homestead Exemptions. Individual taxpayers who still need to get their Homestead Exemption approved or those who did not get a new application approved for the tax year 2013 and who become eligible after that 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 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.

Tangible Personal Property Reimbursements – Fixed Rate

State budget bill HB153 slashed these reimbursements to our district after FY12, reducing our state revenue each year starting in FY13. HB64, the FY16-17 state budget, reinstituted the phase out of TPP reimbursements to districts beginning in FY16, which included a TPP Supplemental Payment for some districts. We were not eligible for TPP Supplemental Payments as our state foundation aid grew enough to offset the loss in TPP.

Beginning in FY18, SB208 amended HB64 and became effective February 15, 2016. SB208 provides that beginning in FY18, the TPP Fixed Rate funding will be phased out at 5/8ths (62.5%) of what one (1) mill would raise in local taxes on the three (3) year average of assessed values. Based on our calculations, we will receive TPP Phase out payments through FY25.

Summary of State Share of Local Property Taxes – Line #1.050

Source	FY24	FY25	FY26	FY27	FY28
Rollback and Homestead	$1,366,860	$1,463,993	$1,469,471	$1,500,868	$1,531,891
TPP Reimbursement - Fixed Rate	341,430	143,903	0	0	0
Total State Share of Local Property Taxes #1.05(	$1,708,290	$1,607,896	$1,469,471	$1,500,868	$1,531,891

Other Local Revenues – Line #1.060

All other local revenue encompasses any revenue that does not fit the above lines. The primary sources of revenue in this area have been open enrollment, interest on investments, tuition for court-placed students, student fees, Payment In Lieu of Taxes, and general rental fees.

HB110, the previous 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 FY24-FY28 Line 1.06 revenues and historical FY21 through FY23 revenues on the five-year forecast. Open-enrolled students will be counted in the enrolled student base at the school district where they are being educated, and state aid will follow the students. Open-enrolled student revenues will be included in Line 1.035 as basic state aid.

Interest income is based on the district cash balances and increased interest rates due to the Federal Reserve raising rates to curb inflation. Once the economy stabilizes, there will be pressure on the Federal Reserve to lower interest rates, which we believe will be sometime in 2024, decreasing the opportunity for more significant interest income for the district. We will continue to monitor the investments for the district. Rentals are expected to return to pre-pandemic levels over time. All other revenues are expected to continue on historical trends.

The district also receives Tax Increment Financing (TIF) payments in this section. At this time, the district receives payments from the following entities with the estimated collection and expiration: Pagman 1111 $2,325 FY23– FY24, K-Cinco LLC. $2,315 – FY24, Alan & Donna Vasu $2,634 – FY24, Gorman Rupp $150,095 – FY27, Fanello Development Company, LLC. $11,444 – FY30, Newman Technology Inc $36,052 – FY33, Mansfield Real Estate $26,738 – FY35, and Airport West I beginning in FY22 for $100,422 – FY37. These payments result in the district's revenue collection decreasing by the following amounts: $5,261 in FY22, $21,042 in FY23, and $12,499 in FY24 due to expiring payments.

Medicaid reimbursements are forecasted to increase by 2% per year based on trend adjustments. Another decrease to this section of the forecast is the result of Mansfield Christian taking their funding directly from the state, which reduces the administrative fee the district collected. We will continue to monitor this and adjust as necessary in future submissions.

Source	FY24	FY25	FY26	FY27	FY28
Open Enrollment Gross	$0	$0	$0	$0	$0
Abatement Payments	332,025	324,751	324,751	324,751	174,656
Tuition - SF-14, SF-14H, Excess	456,942	456,942	456,942	456,942	456,942
Interest	18,454	19,008	19,578	20,165	20,770
Student Fees, Fines, Other Income	153,823	158,438	163,191	168,087	173,130
Medicaid Reimbursement	160,692	163,906	167,184	170,528	173,939
DayCare Rental	108,000	108,000	108,000	108,000	108,000
Preschool & Auxiliary Fee	2,316	2,316	2,316	2,316	2,316
Manufactured Homes	32,023	32,023	32,023	32,023	32,023
Total Other Local Revenue Line #1.060	$1,264,275	$1,265,384	$1,273,985	$1,282,812	$1,141,776

Short-Term Borrowing – Lines #2.010 & Line #2.020
There is no short-term borrowing projected in this forecast.

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 over the previous fiscal year and reimbursements for expenses received for a previous fiscal year in the current fiscal year.

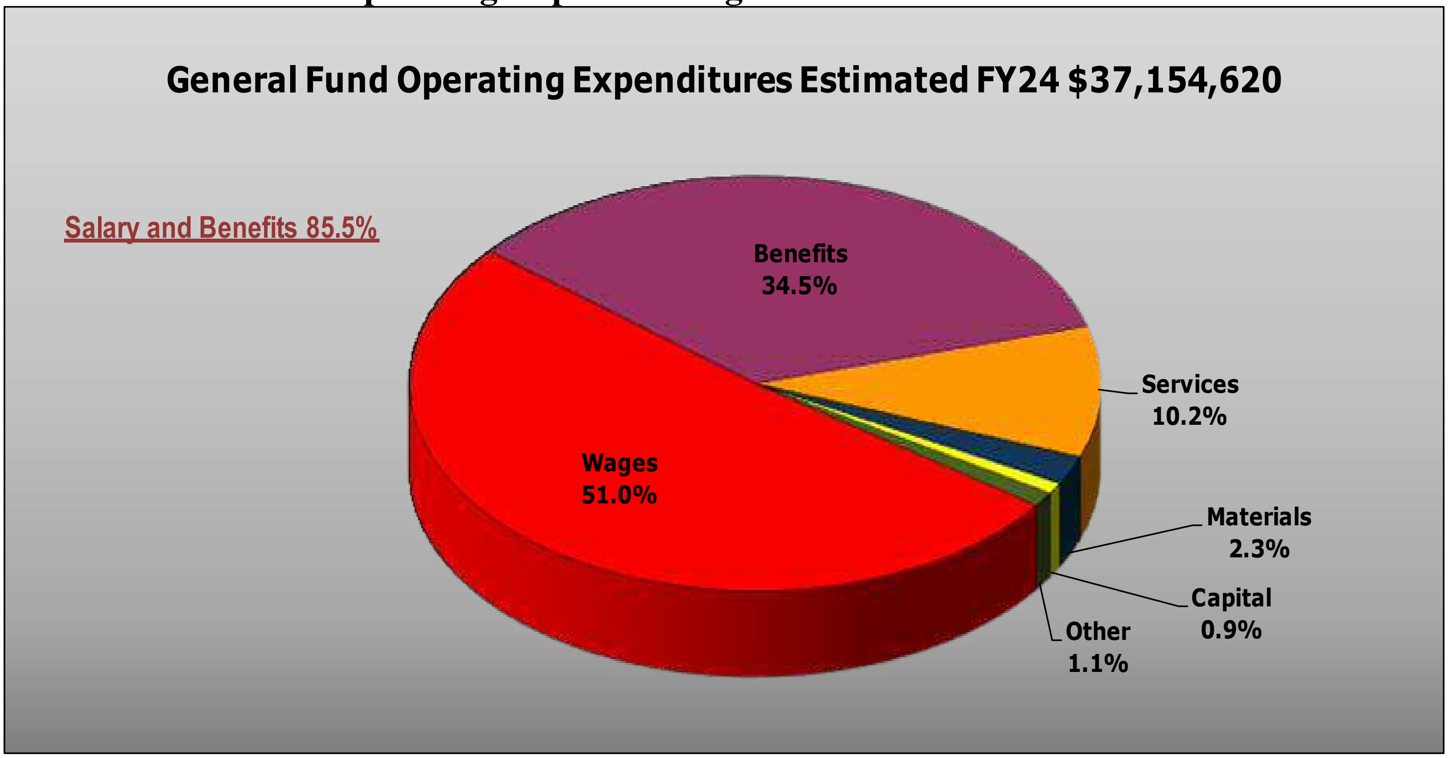
All Other Financial Sources – Line #2.060
This funding source is typically a refund of prior year expenditures that is very unpredictable. Reductions of prior year expenditures are made up of catastrophic cost and Medicaid reimbursements for special education services, E-Rate reimbursements for technology infrastructure, and Motor Fuel Tax refunds. Catastrophic Aid nearly doubled in FY22 due to increased appropriations, which are funded at the state level by a reduction in special education funding at the local level. These revenues are inconsistent year to year; therefore, these revenues are assumed to remain constant over the remainder of the forecast.

Source	FY24	FY25	FY26	FY27	FY28
Sale of Fixed Assets	$1,500	$1,500	$1,500	$1,500	$1,500
Refund of prior years expenditures	135,798	135,798	135,798	135,798	135,798
Total All Other Financial Sources Line #2.060	$137,298	$137,298	$137,298	$137,298	$137,298

Expenditures 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. 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 FY24



Wages – Line #3.010

Negotiations with Certified bargaining unit members resulted in ongoing. At this time, we are estimating base increases of 3% for FY24, and included average step increases of 3%. For planning purposes, a 0% base amount and 3% step increases have been projected in this forecast for FY25-28, with base wage increases to be negotiated in the spring of 2024.

In FY23-24, the district utilized ESSER funding to offset general fund wages, which are expected to return to the general fund in FY25. These wages will not be returned, as those programs will sunset with the liquidation of the remaining ESSER funds. In February 2023, the Ohio Department of Education required the Board to pass a Precautionary Written Plan for reductions. Those reductions are reflected in FY25 of this forecast.

Based on past trends, FY24-28 assumes a yearly retirement and replacement of 4 staff in FY24 and 3 staff in FY25-27, at this time. The forecast reflects an adjustment to the base wage from the prior year severance liability. The district continues to look at staffing levels and their alignment with programming priorities for future years.

The approximately $3.4 million annually beginning generated by the passage of the levy on November 7, 2023 alleviated the need for the drastic staffing reductions that were planned if the levy failed. However, some staffing reductions will still need to be made in FY25 and potentially FY26 to maintain efficiency and balance the budget but the necessary reductions will not be as severe as they would have had to be had the levy failed. The specific staffing reductions have not been determined yet.

Source	FY24	FY25	FY26	FY27	FY28
Total Wages Line 3.010	$18,964,087	$19,296,608	$19,778,375	$20,163,657	$20,670,227

Fringe Benefits Estimates – Line #3.020
This area of the forecast captures all costs associated with benefits and retirement costs. These payments and HSA costs are included in the table below.

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. The district is required to pay SERS Surcharge, which is an additional employer charge based on the salaries of lower-paid members.

B) Insurance
At this time, we are estimating an increase of 8% for FY24-28, which reflects trend. This is based on our current employee census and claims data. The district is not anticipating a premium holiday in the forecasted years at this time.

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 healthcare costs in the forecast.

C) Workers Compensation & Unemployment Compensation
Workers' Compensation is expected to be approximately 0.68% of wages FY24-28. Unemployment is expected to remain at a shallow level for FY24-28. The district is a direct reimbursement employer, meaning 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 wage increases and as new employees are hired. 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.

Summary of Fringe Benefits – Line #3.020

Source	FY24	FY25	FY26	FY27	FY28
A) STRS/SERS	$4,291,115	$4,384,239	$4,493,371	$4,579,710	$4,694,424
B) Insurance's	8,104,963	8,700,166	9,382,749	10,114,989	10,907,351
C) Workers Comp/Unemployment	103,679	112,552	112,432	111,550	111,393
D) Medicare	276,421	277,237	279,681	285,128	292,332
Annuities/Uniform/Meeting	31,450	33,450	35,450	37,450	37,452
Total Fringe Benefits Line #3.020	$12,807,628	$13,507,644	$14,303,683	$15,128,827	$16,042,952

Purchased Services – Line #3.030

HB110, the previous state budget, impacted Purchased Services beginning in FY22 as the Ohio Department of Education will directly pay these costs to the education 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 offer these amounts below as zeros to help reflect the difference between projected FY24-FY28 Line 3.03 costs and historical FY21 through FY23 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. In FY24, the district will eliminate an Administrative position currently contracted with the ESC, an assumed to be $104 thousand savings to the general fund.

Source	FY24	FY25	FY26	FY27	FY28
Open Enrollment	$0	$0	$0	$0	$0
Community School & Scholarship	0	0	0	0	0
ESC and Professional Support	1,494,812	1,608,092	1,655,856	1,705,101	1,755,873
Other SF-6, SF-14, SF-14H, CCP	637,311	628,613	638,070	647,764	657,701
Insurance & Maintenance Repairs	846,316	837,705	851,541	865,664	880,082
Utilities	557,380	600,000	600,000	600,000	600,000
Insurance, Leases, Postage & Other	264,542	170,429	169,191	169,191	169,194
Total Purchased Services Line #3.030	$3,800,362	$3,844,838	$3,914,658	$3,987,719	$4,062,850

Supplies and Materials – Line #3.040

Expenses, which are characterized by curricular supplies, testing supplies, copy paper, maintenance and custodial supplies, materials, and bus fuel.

Source	FY24	FY25	FY26	FY27	FY28
Supplies	$454,238	$427,892	$429,817	$431,752	$433,695
Building Maintenance	97,000	165,000	165,000	165,000	165,000
Textbooks	57,795	82,528	82,506	82,504	82,500
Transportation	231,010	300,000	300,000	300,000	300,000
Total Supplies Line #3.040	$840,043	$975,420	$977,323	$979,256	$981,195

Equipment – Line # 3.050

The District does not anticipate costs increasing significantly in this line due to most capital outlay is paid by the Permanent Improvement fund.

Source	FY24	FY25	FY26	FY27	FY28
Equipment	$120,000	$120,000	$120,000	$120,000	$120,000
Replacement Buses	0	0	166,000	0	166,000
Vehicles	0	0	0	0	0
Technical Equipment	198,193	218,568	218,568	218,568	218,568
Total Line 3.050	$318,193	$338,568	$504,568	$338,568	$504,568

Principal and Interest Payment – Lines # 4.05 and 4.06

There are no borrowings planned in the forecast period.

Other Expenses – Line #4.300

The category of Other Expenses consists primarily of Auditor & Treasurer fees, our annual audit and other miscellaneous expenses.

Source	FY24	FY25	FY26	FY27	FY28
County Auditor & Treasurer Fees	$269,295	$271,988	$274,708	$277,456	$280,231
Software and Subscriptions	59,726	60,323	60,926	61,535	62,150
Other expenses	70,584	71,290	72,003	72,723	73,450
Annual Audit	24,702	24,949	25,198	25,450	25,705
Total Other Expenses Line #4.300	$424,307	$428,550	$432,835	$437,164	$441,536

Transfers Out/Advances Out – Line# 5.010

This account group covers fund-to-fund transfers and end of year short-term loans from the General Fund to other funds until they have received reimbursements and can repay the General Fund. Advanced funds are anticipated to be paid back in full in the next fiscal year. At this time, $10 thousand is transferred to the turf replacement fund.

Source	FY24	FY25	FY26	FY27	FY28
Operating Transfers Out Line #5.010	$10,000	$10,000	$10,000	$10,000	$10,000
Advances Out Line #5.020	0	0	0	0	0
Total Transfer & Advances Out	$10,000	$10,000	$10,000	$10,000	$10,000

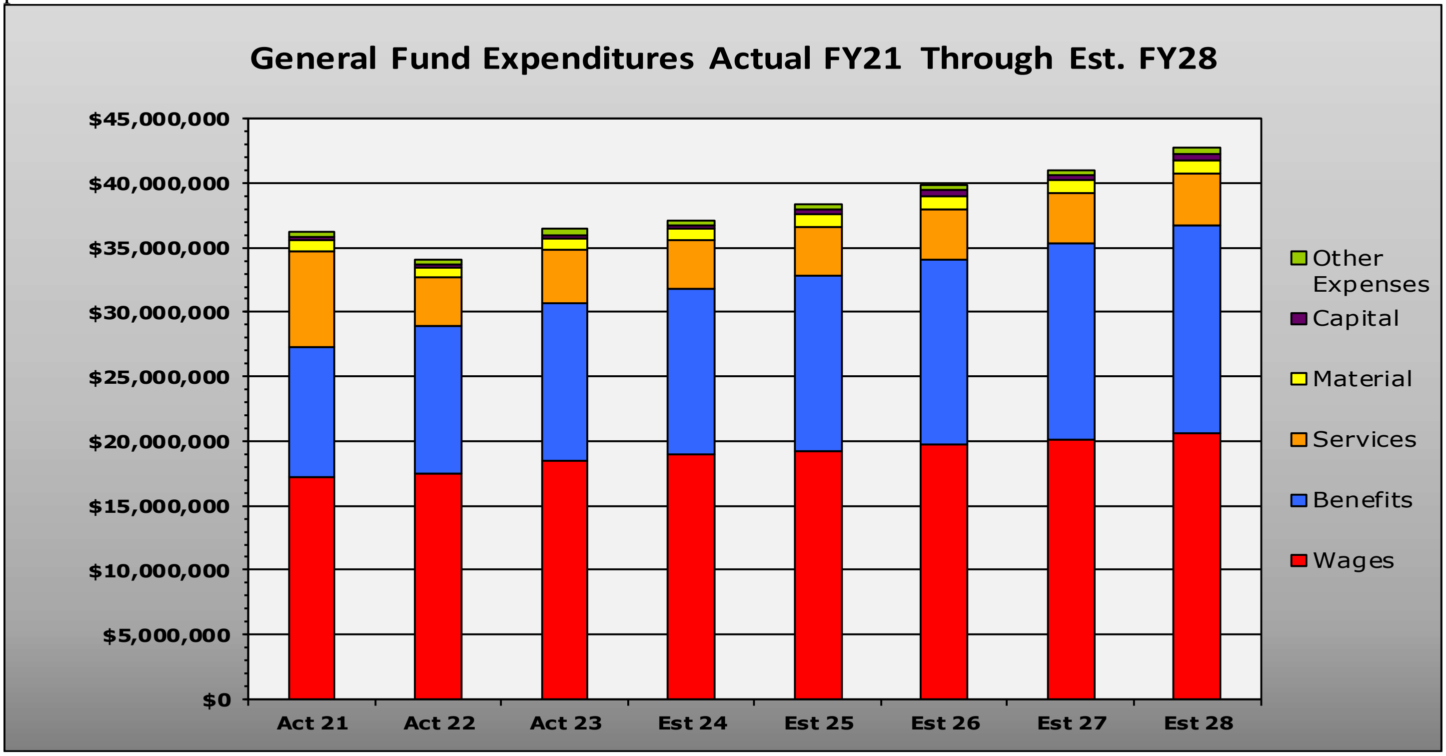
Encumbrances –Line#8.010

These outstanding purchase orders have yet to be approved for payment, as the goods were not received in the fiscal year in which they were ordered.

	FY24	FY25	FY26	FY27	FY28
Estimated Encumbrances	$0	$0	$0	$0	$0

Operating Expenditures Actual FY21 through FY23 and Estimated FY24-FY28

As the graph on the following page indicates, we have diligently contained costs due to lower and flat state revenues. We control our expenses while balancing students' academic needs to enable them to excel and perform well on state performance standards.

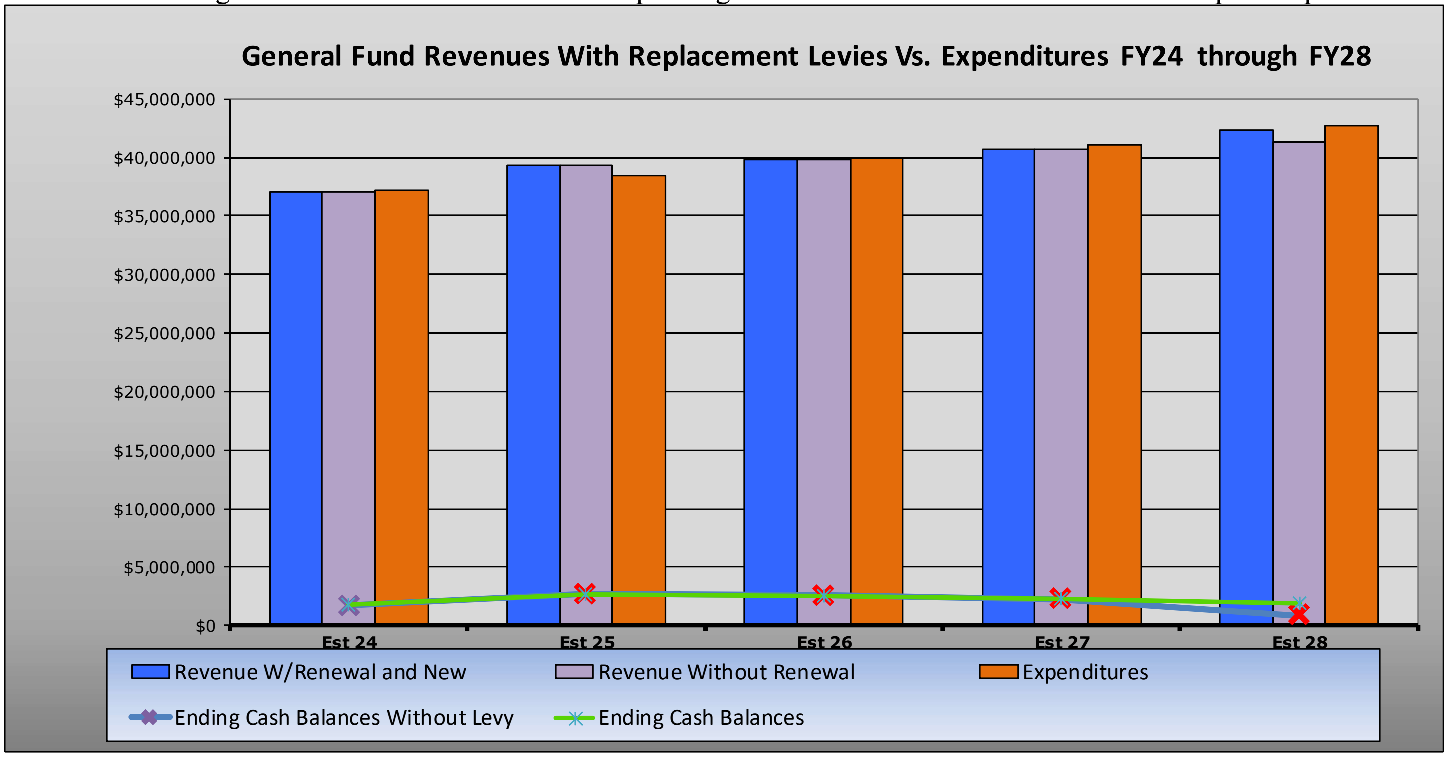


Ending Unencumbered Cash Balance – Line#15.010

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, resulting in a negative unencumbered cash balance is a violation of O.R.C. §5705.412 and is punishable by personal liability of $10,000. It is recommended by the Government Finance Officers Association (GFOA) and other authoritative sources that a district maintains a minimum of sixty (60) day cash balance, which is approximately $6.1 million for our district.

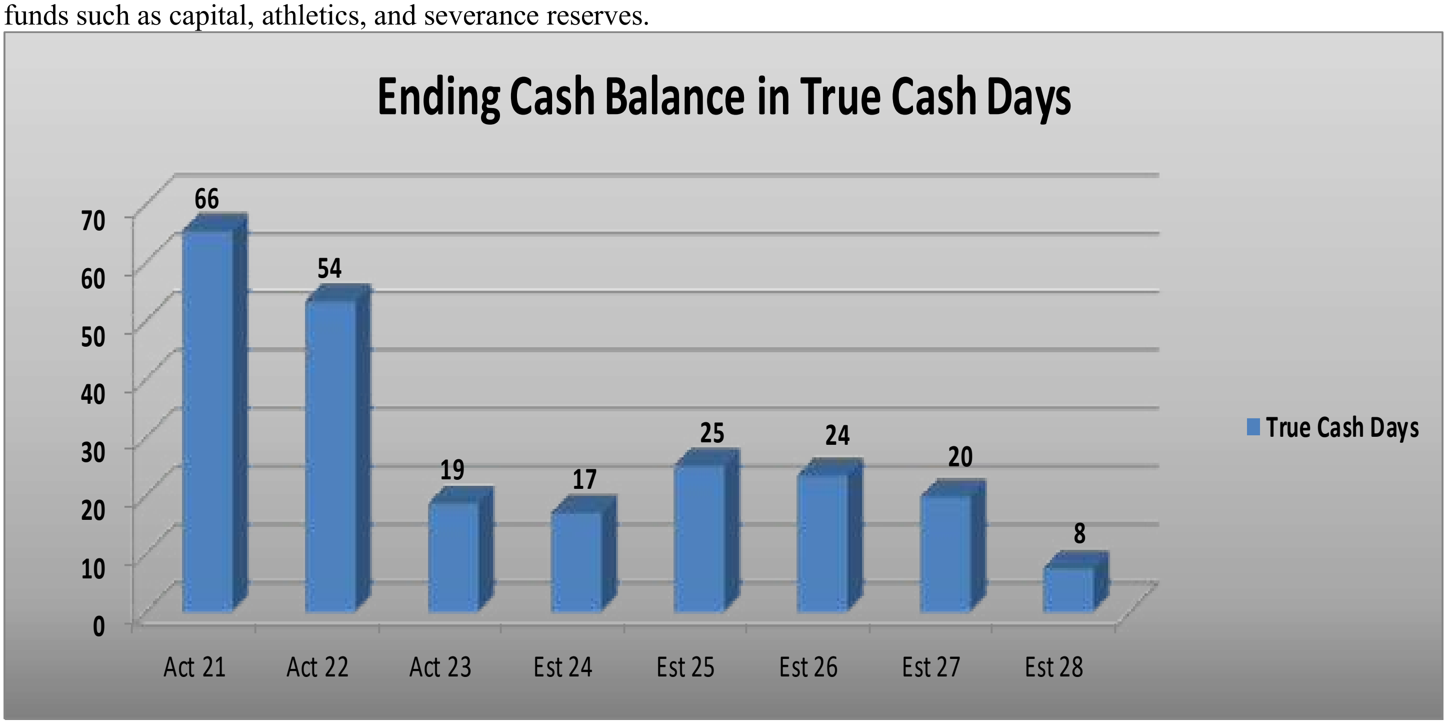
	FY24	FY25	FY26	FY27	FY28
Ending Unencumbered Cash Balance	$1,756,721	$2,666,035	$2,589,205	$2,248,945	$1,895,583

The following chart shows the district is deficit spending and will need to evaluate revenue and expense options.



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 Year's Ending Cash Balance divided by (Current Year's Expenditures/365 days) = number of days the district could operate without additional resources or a severe resource interruption. Although GFOA sets the minimum balance on hand to be thirty (30) days, GFOA recommends two (2) months, or sixty (60) days cash is 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 a predictable funding source for other funds such as capital, athletics, and severance reserves.



Conclusion

We would, again, like to thank the community for their support in passing the new 7.5 mill levy at the November 7, 2023 General Election. Passage of this levy was vital to our ability to continue providing an excellent education to our students Staffing reductions will still need to be made in FY25 and potentially FY26 to maintain efficiency and balance a budget but the necessary reductions will not be as severe as they would have had to be had the levy failed.

The district administration is grateful for the continuation of the Fair School Funding Plan in the current state budget, HB33, as it has reduced the amount that was deducted for programs that were not within the district's control.

The district is receiving funding through the CARES Act and ESSER funds that are to be used for helping due to the pandemic. ARP ESSER funding has been allocated to our district that can be used through September 2024, which will continue to offset the expenses and help with academic support for lost learning due to school closures as a result of the pandemic. We will monitor this and all other funding that is affecting our forecast from the pandemic.

As you read through the notes and review the forecast, remember that the forecast is based on the information that is known at the time that it is prepared.