Defiance City School Five Year Forecast
November 2019

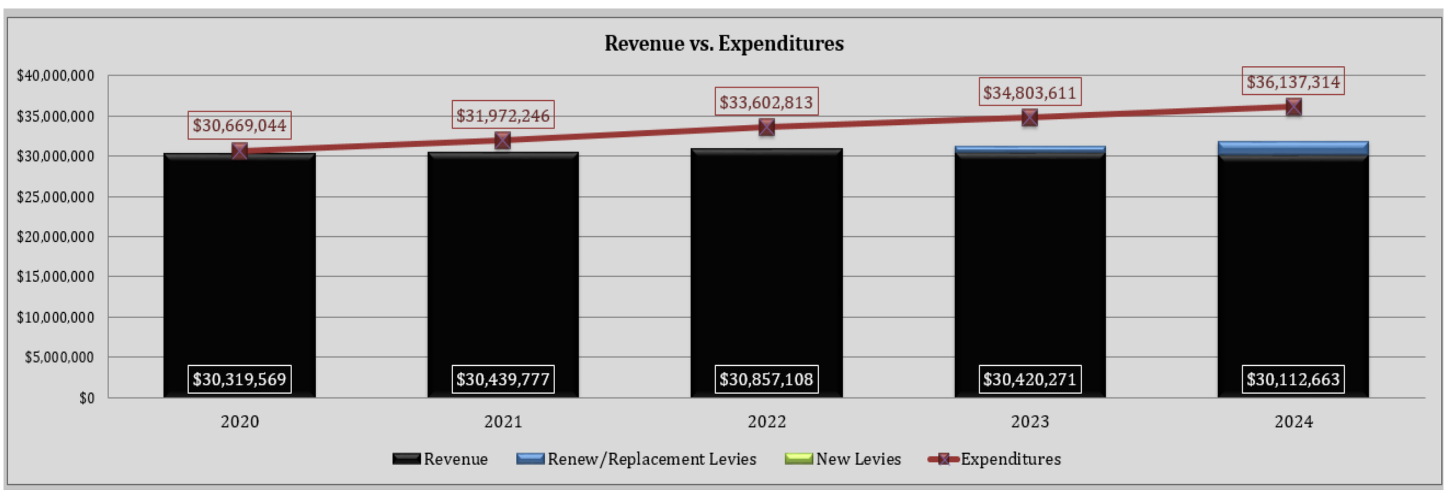
EXECUTIVE SUMMARY

The below chart is an executive summary that outlines a simplified statement of the five year forecast. It takes revenues, plus levies not passed, minus expenses and shows whether the District is in a Surplus or Deficit situation. The District passed a $1.58 million levy in May 2017. The renewal for that levy will be in Fiscal Year (FY) 2023 (on the ballot in November of 2022). If renewed the levy will begin collection 1.1.2023.

The charts below outline the revenue and expenditures for all five years. From this graph, you can see that the District does deficit spend (one year of expenses vs. the same year revenue with no carryover) in FY20 ($349,475), FY21 ($1,532,469), FY22($2,745,705) and FY23 ($3,569,896) and FY24 ($4,397,699). However, if you include carryover, the District does not see a deficit balance until FY 2024 ($3,005,137).

	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Beginning Balance	12,030,503	11,681,028	10,148,559	7,402,855	3,832,958
+ Revenue	30,319,569	30,439,777	30,857,108	30,420,271	30,112,663
+ Proposed Renew/Replacement Levies	-	-	-	813,444	1,626,952
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(30,669,044)	(31,972,246)	(33,602,813)	(34,803,611)	(36,137,314)
= Revenue Surplus or Deficit	(349,475)	(1,532,469)	(2,745,705)	(3,569,896)	(4,397,699)
Ending Balance	11,681,028	10,148,559	7,402,855	3,832,958	(564,741)
Revenue Surplus or Deficit w/o Levies	(349,475)	(1,532,469)	(2,745,705)	(4,383,340)	(6,024,651)
Ending Balance w/o Levies	11,681,028	10,148,559	7,402,855	3,019,515	(3,005,137)

This graph shows the revenue projected to be received (black box) and the expenses projected (red line). From this data, expenses are exceeding revenue in years FY 2020-2024.



The District will need to cut expenses or seek avenues for additional revenue to offset these deficits.

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REVENUE OVERVIEW

Lines 1.01 and 1.02 are Class I and Class II property tax collections. In FY15-FY19, line 1.01 had an average increase of .04% and line 1.02 8.62%. Forecasting forward from FY20-FY24, Line 1.01 has an average decrease of 2.71%, mainly due to year 2023 when levy dollars are removed, and line 1.02 has an average increase of .39%.

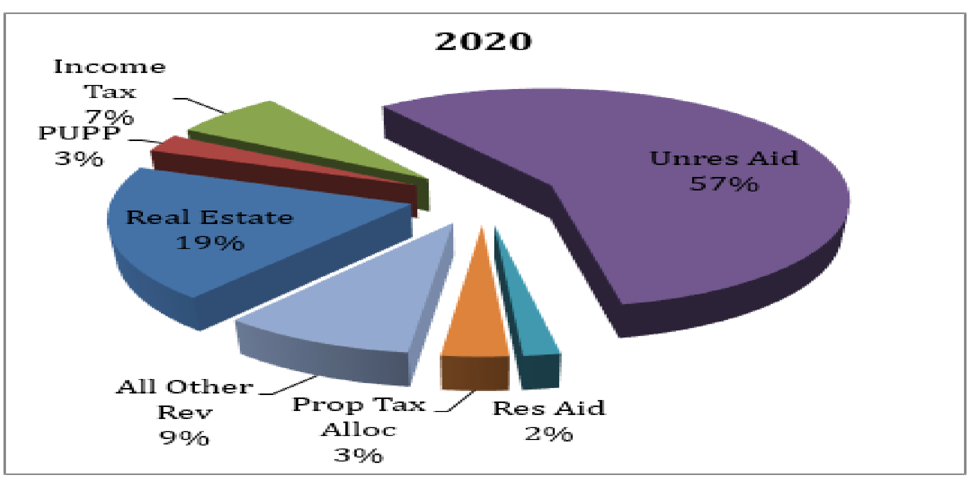
Line 1.03 is an income tax which is a tax collected based on earned wages from residents of the District (regardless of where they work) and flows to the District quarterly from the Ohio Department of Taxation. The past 5 years, the collection has been an average increase of 3.05%. It is projected at an increase of 2.65% growth for FY20-FY24.

Line 1.035 is the funding the District receives from the Ohio Department of Education (ODE) based on the biennium budget set by the Governor of Ohio. FY20-FY21 have a new biennium budget. This budget is frozen at the previous year funding formula. The previous five fiscal years have an average increase of 5.52% but FY20-21 has only increases outside the formula (zero increase on base) and FY22-24 have 1.2-1.3% forecast based on the hope that there will be a new funding formula that allows for base increases.

Line 1.04 and 1.045 are restricted aid. Restricted aid is money the District receives from ODE, but is set aside for a specific purpose and that allocation must be spent on that specific area. Restricted aid is mainly made up of economic disadvantaged and career tech funding and that amount is based on student demographics and enrollment.

Line 1.05 Property tax allocation is the revenue the District receives from the State for taxes that the State has reduced or discontinued that had a significant impact on School District's tax base. This line includes Homestead and Rollback credits as well as Tangible Personal Property (TPP) that businesses paid. The State promised Districts that they would be held harmless for the District loss in tax collection and that reimbursement from the State is recorded here. In the past 5 years a good majority of TPP for the District has been reduced or discontinued. This reduction is why that line item shows an average decrease of 1.05% for the past 5 fiscal years. Since there are continued reductions to this line, the average forecast percent is negative 5.36% for FY20-FY24. In addition, in FY23 the reimbursement will be discontinued.

Line 1.06 cannot be forecast based on past trend lines because it includes one-time payments that can skew the average percentage. In FY19, one time payments for the High school contents auction and BWC rebate.



Of the Revenue that the District receives, 57% comes from state funding. The next largest contributor is local tax collections (real estate taxes/income tax) which is 26%. Together these two items make up 83% of the District's funding.

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REVENUE ASSUMPTIONS

1.01/ 1.02 Taxes (Real Estate and Public Utilities Personal Property - PUPP):

Real Estate contributes about 19% to overall funding (includes lines 1.01 and 1.02). Residential Class I Real Estate have seen minimal changes in values for the last ten years, with exception to FY17 where it saw a 6.6% increase, the first large increase in years. Class I Agriculture, especially CAUV (Current Agricultural Use Value) has had significant increases in value (FY14). Although agriculture has seen large increases in previous years, future years are showing large decreases due to the change in CAUV values that are now decreasing. Agriculture valuation is comprised of appraised values and reduced values (District CAUV is 43.13% of the total agricultural values in calendar 2017). The reduction of values happens when a parcel of property is considered CAUV by the state. The Ohio Department of Taxation defines CAUV as "farmland devoted exclusively to commercial agriculture may be valued according to its current use rather than at its "highest and best" potential use. This provision of Ohio law is known as the Current Agricultural Use Value (CAUV) program. By permitting values to be set well below true market values, the CAUV normally results in a substantially lower tax bill for working farmers. Farm and land owners have lobbied to reduce those increases. From CY2017 forward, decreases are forecast to accommodate this. Agriculture values equate to only 3.76% of total tax revenue and residential is 73.71%, so an increase/decrease in agriculture valuation is usually not significant enough to impact overall valuation, especially when there is a change in residential valuation.

There are only two elements that affect change in the valuation of a District. Those two elements are Reappraisal/Updates (Including Board of Revision complaints) and New Construction. Taxes are assessed in one calendar year and collected in the following. In the chart below, percentage change to both Class I and Class II valuations are outlined from 2016-2023.

Valuation Change BOR/Inflation:	Agriculture	Residential	Tax Rate Chg	Class II	Tax Rate Chg
2016	0.6%	-0.3%	(0.02)	-0.3%	0.07
2017	-5.4%	0.2%	(1.35)	5.2%	(1.46)
2018	-1.7%	-0.2%	(0.07)	1.6%	(0.40)
2019	-2.4%	0.1%	0.21	-10.0%	2.33
2020	-4.6%	6.6%	(0.21)	2.4%	(0.68)
2021	0.1%	-0.1%	0.04	0.1%	0.01
2022	0.6%	0.2%	(0.04)	0.1%	(0.05)
2023	-2.5%	4.1%	(0.27)	2.3%	(0.72)

Valuation Change - New Construction Growth/(Loss):	Agriculture	Residential	Class II	PUPP	Total
2016	1.9%	0.2%	0.2%	3.1%	0.5%
2017	0.6%	0.3%	1.2%	4.4%	6.1%
2018	1.1%	0.5%	10.3%	1.7%	2.2%
2019	0.6%	0.2%	1.1%	4.5%	-1.0%
2020	1.0%	0.3%	1.7%	4.2%	4.0%
2021	0.7%	0.1%	0.7%	1.9%	0.4%
2022	1.0%	0.1%	0.7%	1.8%	0.5%
2023	0.7%	0.3%	1.6%	3.9%	4.6%

For Class II updates/appraisal/BOR changes, large increases took place during the reappraisal in 2017 (5.2%), however agriculture decreased 5.4%. The district entered into agreement with same property owners for payment in lieu of taxes to settle Board of Revision appeals. This netted the District over $238,515 from FY18-FY20. However, that also contributed to the decrease in commercial property of 10% in FY19. The next triennial update is in FY 2020. The calendar year 2019 valuation for the District is $264,441,500, down from $267,181,790 in calendar year 2018.

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The district's tax rates are a function of levies approved by voters and property values. In general tax rates are reduced commensurate with BOR or inflationary change in value thereby limiting inflationary/deflationary real estate property tax growth. The District is at the 20 mill floor, which means it is collecting at the lowest tax rate for Class I allowed by law. If the millage for the District "rolls" below 20 mills, it is increased back to 20 mills to accommodate this law. Because the District is at the floor, changes in Class I valuations will not impact collections unless the District moves off the floor. Below is a chart of millage rate for the District:

Effective TY Millage:	Class I Fixed Rate	Class II Fixed Rate	Class at Floor?	Fixed Sum
2019	20.02	25.16		6.17
2020	20.00	24.66	Floor	5.99
2021	20.01	24.64		6.02
2022	20.00	24.61	Floor	0.00
2023	20.00	24.16	Floor	0.00

Class I is at or near the floor from FY19-FY23 with current projections. The fix sum rate is the Emergency levy that the District has that expires in FY23. Class II rates are above the floor so changes in valuation do impact collection.

2018 2019	2019 2020
1,324,486	1,304,094
(204,642)	(104,327)
1,119,844	1,199,766
	92.00%
84.55%	
5,492,563	5,604,071

Even though valuation decreased in calendar year 2019, the District is still forecasting a small tax collection increase ($186,770) due largely to collection rate of Class II at 84.55% in FY 19 (due to BOR) that is forecast back at normal collection of 92% in FY 2020.

PUPP makes up only 2.5% of the Districts overall funding and currently 6.8% of its tax base. PUPP, historically had been steadily increasing, but due to the phase out of TPP and changes in collection, it is showing minimal increases for FY20 through FY24.

1.03 Income Tax:

In 1991, the District passed a <u>continuous</u> levy on Income taxes. That levy collected $1,911,754 in FY19, a 4.01% increase from collections in FY18. Historically, the levy has had an average collection increase rate of 3.05% per year. There are four different factors that combine to make the total collection. Those four factors are withholding, quarterly estimated payments, payments made with returns, and refunds. Those payments are paid to the District Quarterly from the Ohio Department of Taxation. Estimations for 2020 forward are determined using past collections, market trends and unemployment rates. Below is a chart that outlines the Tax Growth:

Income Tax is 6.3% of District Total Revenue

	2020	2021	2022	2023	2024
Total Change	59,727	26,636	55,355	59,834	65,824
YOY % Change	3.12%	1.35%	2.77%	2.91%	3.11%

Historical Income Tax Growth

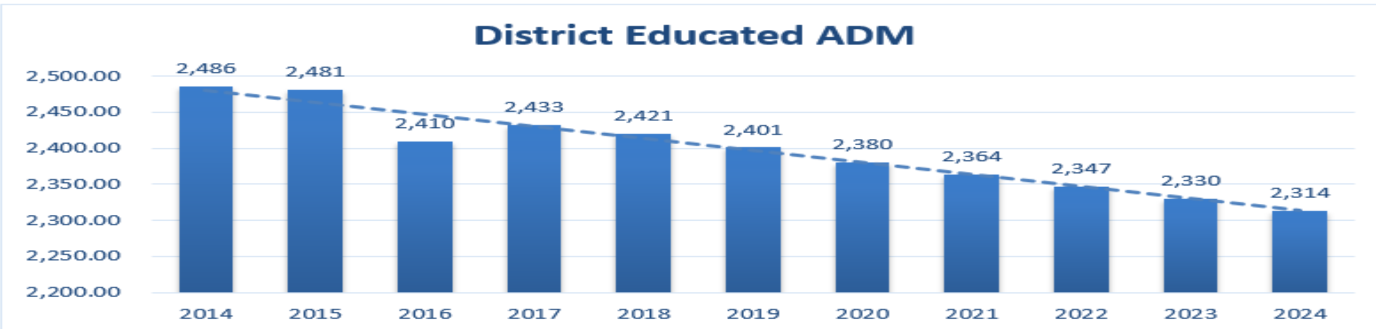
2015	5.13%
2016	-1.72%
2017	3.99%
2018	3.84%
2019	4.01%
5-Year Average	3.05%

Projected Income Tax Growth

2020	1.80%
2021	2.67%
2022	2.77%
2023	2.91%
2024	3.11%
5-Year Average	2.65%

1.035 Unrestricted State Grants-in-Aid:

This line is based on the funding formula from the State of Ohio and it changes with each biennium budget. Funding is developed by the Governor's office and then is submitted through the legislature for review. In 2018 a new biennium budget was implemented for FY18-19. With this new budget the District has switched from being on the capped side of the SFPR funding formula to being on the actual formula calculation. While on the formula, changes to enrollment, special needs, valuation, etc. will impact the payments for that year. The District saw an increase of $479,727 from FY17 to FY18, but under the same formula, in FY19 the district only saw an increase of $33,781. As the graph below shows, the District is experiencing declining enrollment that impacts funding in this area during that period of time.



In July, 2019 the state of Ohio passed H.B. 166 as the state's 2020 and 2021 state budget. Included in the budget are additional state aid for student wellness, supplemental student wellness, and growing district aid. These aid items were added to the district's FY 2019 base SFPR funding. Anything outside the formula (Special Education transportation, preschool, casino revenue, etc. could impact collections. Below is a chart showing what is in the formula and what is outside the formula and the changes forecast:

Unrestricted and Restricted Revenue	2019	2020	2021	2022	2023	2024
District Educated ADM	2,401	2,401	2,384	2,368	2,351	2,334
Base Aid	$16,761,840	$16,744,199	$16,744,199	$16,744,199	$16,744,199	$16,744,199
Spec Ed. Transp.	$99,969	$130,849	$130,849	$130,849	$130,849	$130,849
Pre-School	$420,899	$421,152	$421,152	$421,152	$421,152	$421,152
Casino Revenue	$136,257	$124,845	$123,980	$123,115	$122,250	$121,385
HB 166 Additional Revenue						
Student Wellness		$541,237	$776,324	$0	$0	$0
Supplemental Student Well.		$0	$0	$0	$0	$0
Growing District Aid		$0	$0	$0	$0	$0
Posting & CFO Adjustments	$56,357	$0	$0	$210,000	$425,000	$635,000
Total Revenue	$16,953,508	$16,899,230	$16,898,365	$17,107,500	$17,321,635	$17,530,770
YOY Change	$33,781	-$54,278	-$865	$209,135	$214,135	$209,135
YOY % Change	0.2%	-0.3%	0.0%	1.2%	1.3%	1.2%

The budget also implemented Student wellness funds that are not part of the forecast. In FY20, the District will receive wellness funds of $541,237 and in FY21 $776,324. The District will use a large majority of these funds to cover general fund expenses that meet the guidelines (see expenses). These expenses will come back to the general fund in FY22, as it is not yet clear if that funding will be contnuied after this biennium budget. In FY22-FY24, 1.2-1.3% raises are forecast.

1.04 Restricted Federal Grants-in-Aid (line 1.045):

The only amounts reported in this category now are from career tech and economic disadvantaged funding. Currently the District receives $344,854 in economically disadvantaged monies. That funding is based on a calculation that includes the percentage of the District's students who are considered economically disadvantaged by the state. Career tech for FY 2020 is $151,575. These numbers are based on participation in programs and fluctuate with funding from the state. This accounts for 1.7% of the total funding the District receives. Since this is state funding also, it has been forecasted with no increases.

1.05 Property Tax Allocation:

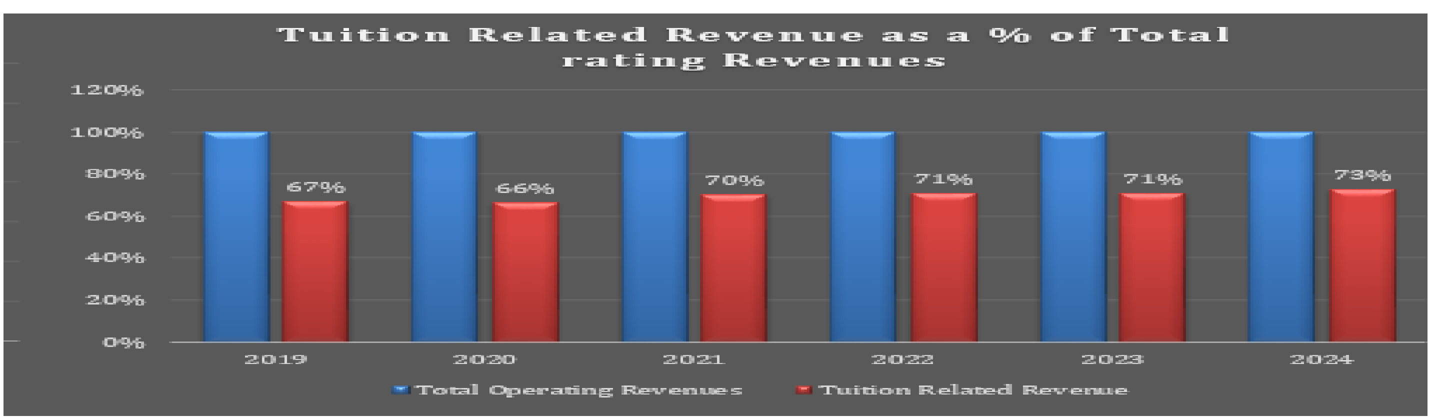
Property tax allocation is reimbursement from the state for tax credits or tax elimination that the state has provided to taxpayers which resulted in a loss of taxes for entities such as schools. If the state eliminated or reduced a tax, the state then provides that loss in funding to the school in the format of direct payments. Currently, the District is receiving monies for homestead and rollback credits given to taxpayers and HB 66 elimination of the Tangible Personal Property (TPP) tax for businesses. The 2014-2015 biennium budget allowed payments to stay consistent with no reduction in the scheduled TPP reimbursements. Since then, the District has lost all of its fixed rate levy TPP reimbursements, but has retained a small amount on the fixed sum (Emergency) levy collections. In FY 2017 that reimbursement was $71,344, but has been reduced with the next budget bill to $64,210 in FY18, $49,941 in FY19, $35,672 in FY20, $21,403 in FY21, $7,134 in FY22 and is completely phased out by FY23.

Homestead and Rollback collection is based on tax valuations and fluctuate based on the amounts forecast for real estate. This reimbursement is no longer coming from the state on new levies, but that burden to pay those taxes will be put back on the taxpayers. The average has decreased by .68% over the last 5 years. The forecast amount includes the reductions mentioned above and that results in an average decrease of 5.36%

1.06 All Other:

Line 1.06 all other revenue accounts for 8.9% of the overall revenue received by the District. Revenues from all other sources are based on collection patterns and not percentage trends as they vary widely from year to year. Collections include items such as tuition, open enrollment, interest, property rental, student fees, donations, compensation for property exemption, etc.

Changes in Open Enrollment numbers can increase revenue on this line (Open Enrollment out is posted as an expense and Open Enrollment in is posted here as a revenue). Our Open enrollment number of students coming in have increased from 222.90 in FY19 to 224.76 in FY20. Tuition related Revenue (including open enrollment) make up over 66% of this categories revenue in FY20 and continues to grow through FY24.



2.070 Total Other Financing Sources

This section includes transfers in and advances in. The repayment of the $2.5 million COPS issue from 2016 is what is transferred out to repay the loan from a Special Cost Center. Also, this line allows for transfers to the capital improvements Special Cost Center within the general fund.

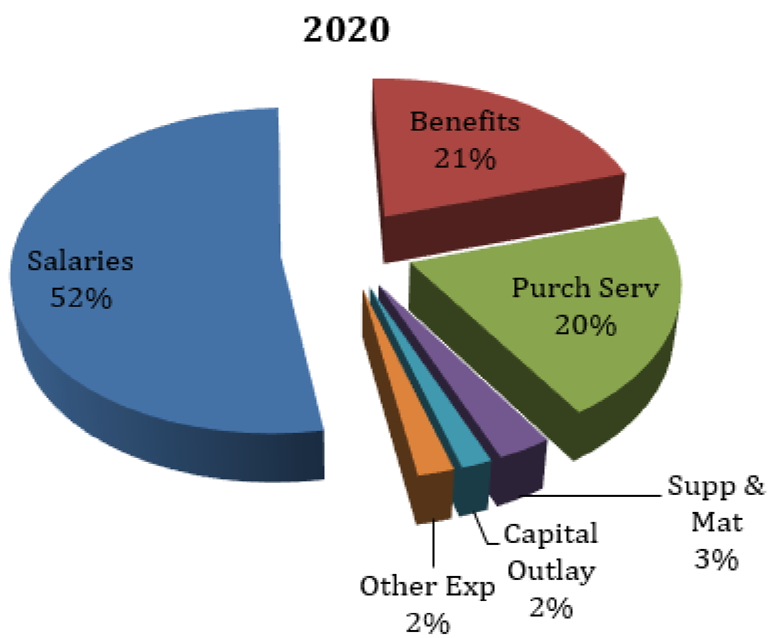
EXPENDITURE OVERVIEW

Expenditures for the District are comprised of salaries, benefits, purchased services, supplies and materials, capital outlay and other. Salaries are controlled mainly by the 2 union contracts at the District. One contract is the Defiance City Education Association (DCEA) that includes teachers, guidance counselors, etc. The other is Ohio Association of Public School Employees (OAPSE). That union encompasses the custodial, bus, café, aide, and secretarial staff. The District concluded negotiations with both unions in 2017 and will reopen negotiations in 2020. Purchased services are service contracts, travel, special education services, utilities, etc. Supplies are what is needed to teach and run the District and capital outlay is usually a purchase of items like computers or improvements to facilities, etc.

Overall increase for all expenses are forecast at 3.66% for FY20-24. The previous five-year average increase was 6.15%. Salaries and benefits make up over 73% of the District's operating budget. Benefit increases are based mainly on increases to insurance costs (medical. dental, vision etc.).

Purchased service changes are difficult to control because pricing increases are controlled by vendor rate increases, student population and special needs services that are usually mandated by the State to be provided.

Supplies are a small part of the total cost and capital outlay is based on district needs. Other objects are based mainly on changes in County Auditor's tax collection fees, annual audit costs and property and fleet insurance. The below pie chart shows the distribution of expenses for the district in FY20.



EXPENDITURE ASSUMPTIONS

3.01 Personal Services:

Personnel Services are 50% of the total expenses for FY20 for the District. Most personnel expenses are negotiated as part of union agreements and the remaining are Board approved employment contracts. There have been decreases in past years due to pay freezes and reductions in staff.

In FY15, there was an increase of 5.67% and in FY16 an increase of 2.81% (increase was reduced by attrition). In FY17, several new teachers were hired and the increase that fiscal year was 6.15%. From school year 2014-2015 through school year 2018-2019, the District has increased its teaching staff by 20 members. This offsets the cut made from FY12-FY14 and restores the staff positions that were reduced during that timeframe.

In FY18, as a result of 2017 negotiations, the teaching salary base increased to help bring the District in line with what area schools are paying their teaching staff. This was done in an effort to help retain good teachers and encourage teachers to apply to the District. The District also increased or created new supplemental positions and had to reallocate to the general fund over $160,000 in grant reductions. All those items combined contribute to the increase of 8.40% in FY18. In FY19 the increase was reduced to only 4.5%.

Forecast increases are based on breaking down each employee group by certified, classified, administrative, overtime, substitute employees, severance, supplementals and other. Then, percentages are applied to each category (if applicable) for steps, degree changes, negotiations, and merit pay (if applicable). Certificated staff (excluding administrators) make up 70.49% of our employee salary cost, classified are 12.53%, administration is 9.01% and other (overtime/severance/supplementals/substitutes) combined are 7.97%. Classroom teachers average salary for FY18 was $57,796 with 58.75% of that staff with 10 or more years of experience (Ohio Department of Education District Profile report 2018).

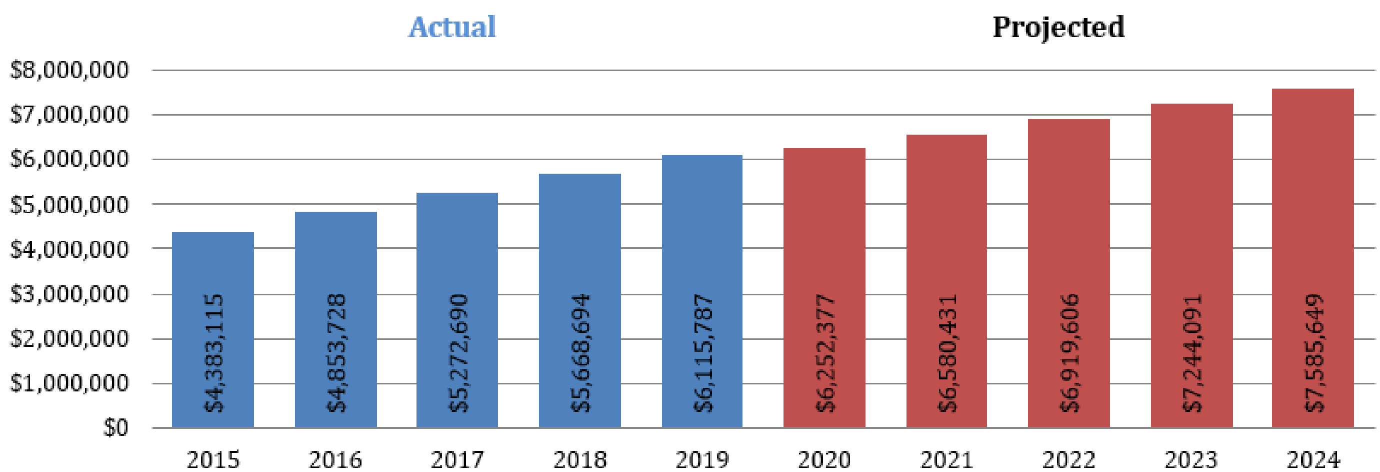
In regards to future staffing, in FY20 there are adjustments made for nursing services and behavioral specialist that will be paid by the student wellness grant and also for attrition of the superintendent, high school principal, assistant high school principal, middle school principal, technology coordinator and teaching positions. In FY22 the expense of the nursing staff and behavioral staff return to the general fund as there has been no assurance of the student achievement and wellness funds continuing. There are no new staff forecast in future years unless it is through attrition.

3.02 Retirement and Benefits:

Retirements and benefits are 20% of the total expenses per year for the District. Combined with personnel expenses, that equates to 70% of the total expenditures per year for the District. Historically, the District has seen an average increase of 6.83% over the past five years.

The expense for this category is derived from actual health plan costs, number of enrollees, SERS and STRS. The insurance rate increases for FY 2020 are 8% for medical, 4% for dental and 4% for vision insurances. In future years, an increase of 6% have been budgeted for medical insurance increases, no increase has been budgeted for in Dental or Vision. Those increases are using current employee population enrollment numbers and changes made to the plan that will offset current and future increases.

Overall, the District average increase for this line item from FY20-FY24 is 4.41%. You can see from the graph below that the costs are steadily increasing from FY15 all the way through FY24.



3.03 Purchased Services:

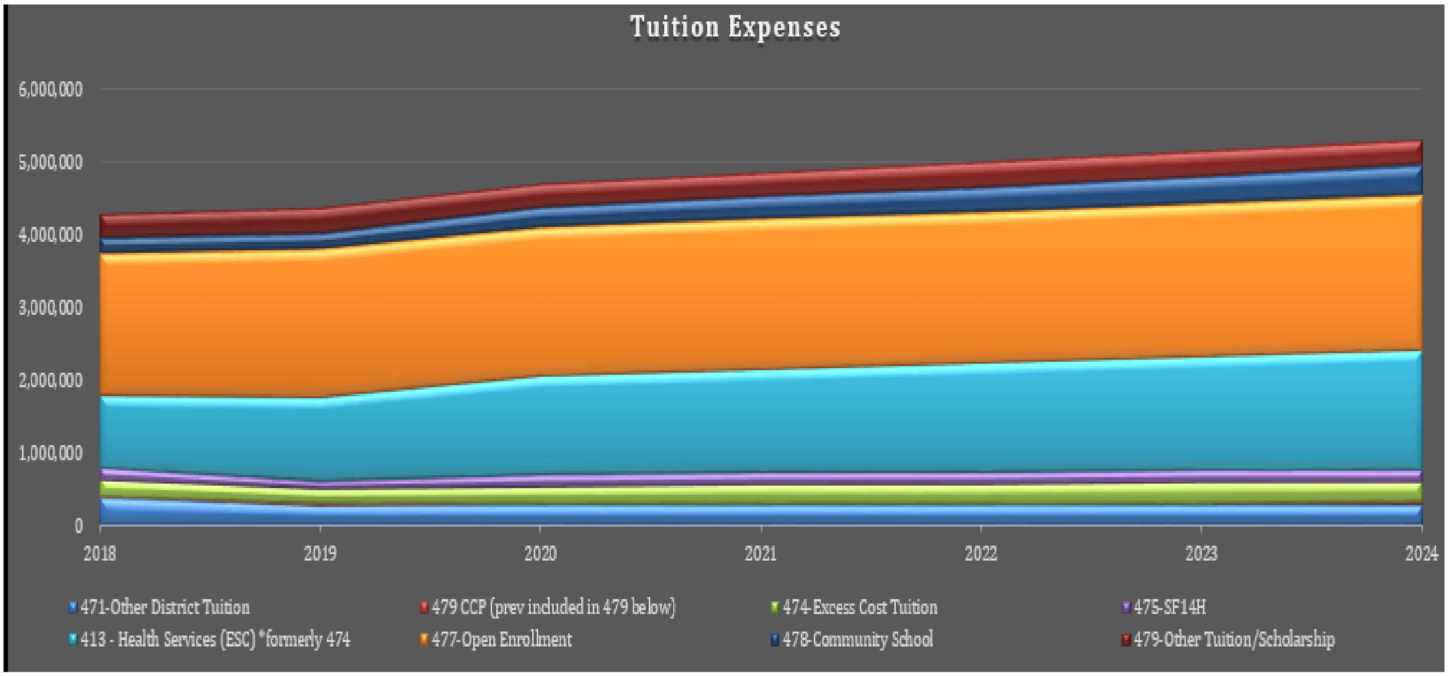
Purchased Services is the next largest category of spending outside of personnel and benefits. It is 19.8% of overall expenditures. This category consists of tuition expenses (including open enrollment out and community schools), utility expenses, professional and technical services, maintenance and repairs, professional development, contracted services and postage expenses. The average increase for this category for the last 5 years is 5.24% down over 2% previous years.

Tuition expense is the largest portion of purchased services at 77% of all expenses in that category. Tuition expenses include College Credit Plus (CCP), Excess cost, SF14H (Special needs enrolled out), health services (Northwest Ohio Educational Service Center (NWOESC)) open enrollment and other/scholarship expenses.

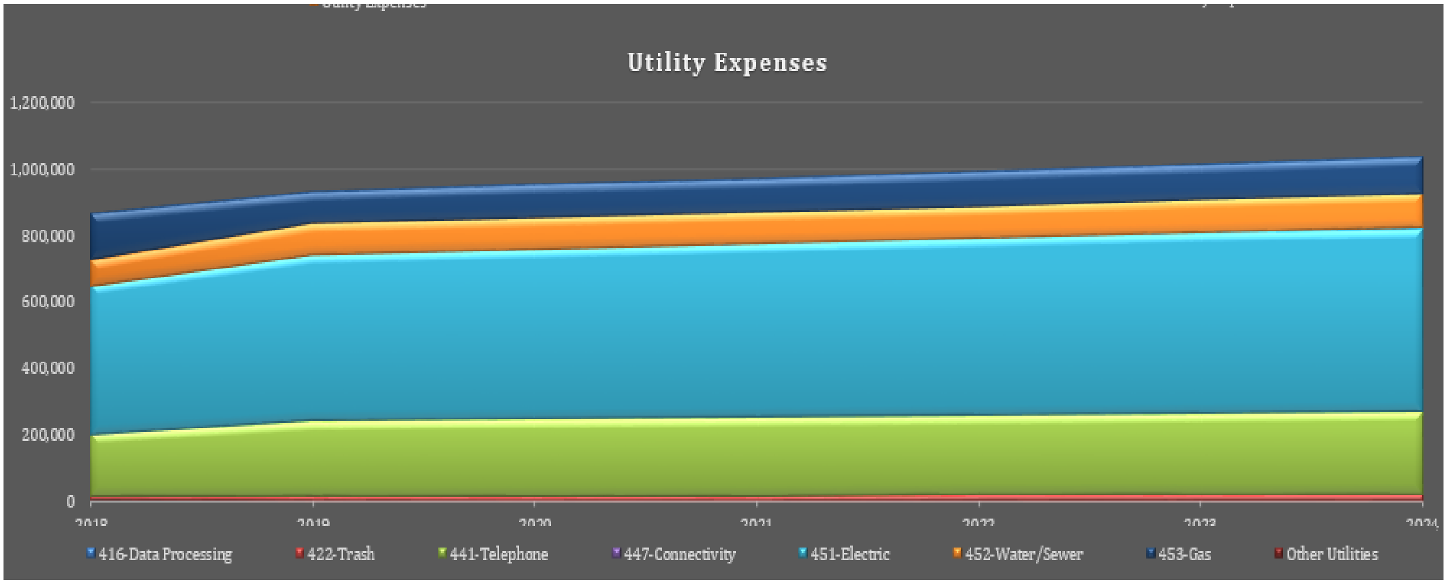
Open enrollment out (students leaving District) only went up 2.4% in FY18 to FY19. Based on actual FY20 financial data, that number is looking to only increase slightly (1%) each year for the next five years. Health services increased 17% in FY19 and are projected to increase another 17% in FY20. This is an increase in special education services and preschool services. In FY20, $10,000 was removed for professional development and $229,296 for preschool to be paid by student achievement and wellness funds. Those expenses return in FY22. The current administration is looking to reduce those costs and have projected only 5% increases from FY21-FY24

Community School transfer (E-school, community school etc.) decreased 47.7% from FY17 to FY18 mainly due to ECOT closing midyear and those students returning to Defiance City Schools. In FY19, digital academy numbers climbed back up by 12.5%, and in future years, 12% is forecast.

Purchase services (like tuition expenses) are difficult to manage because they are usually services that the District is mandated to supply to students. Programs like digital academies (online schools), community schools, college credit plus, Jon Peterson Scholarship, Ed Choice and the Autism scholarship take money away from the District when the District has no control over how much or how many students are awarded access to these programs. In addition, excess costs are costs that the District pays to other Districts for special needs students open enrolled out or foster placed in the other District, yet the District cannot control the costs of the other Districts for that student. The below chart shows the breakout for tuition expenses:



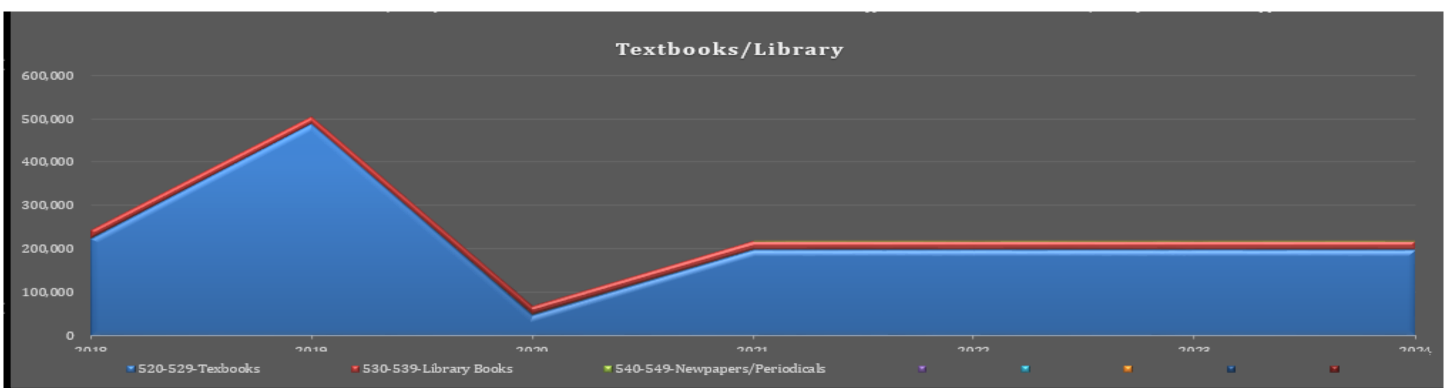
Utility expenses are the other largest category and are 16% of purchased services. This includes trash, telephone, electric, water/sewer and gas expenses. Overall the increase from FY18-FY19 in this category of purchased services increased by $69,837. This increase was down from the previous year by over $60,000 due to running the New MS/HS and the old HS at the same time in FY18. Further increases are expected at a lessor rate than previous years because of more efficient systems being in place. Keep in mind, even though there are more efficient systems in place, maintenance on them is costlier than the older systems. Future years are forecast with increases based on trend analysis and current information.



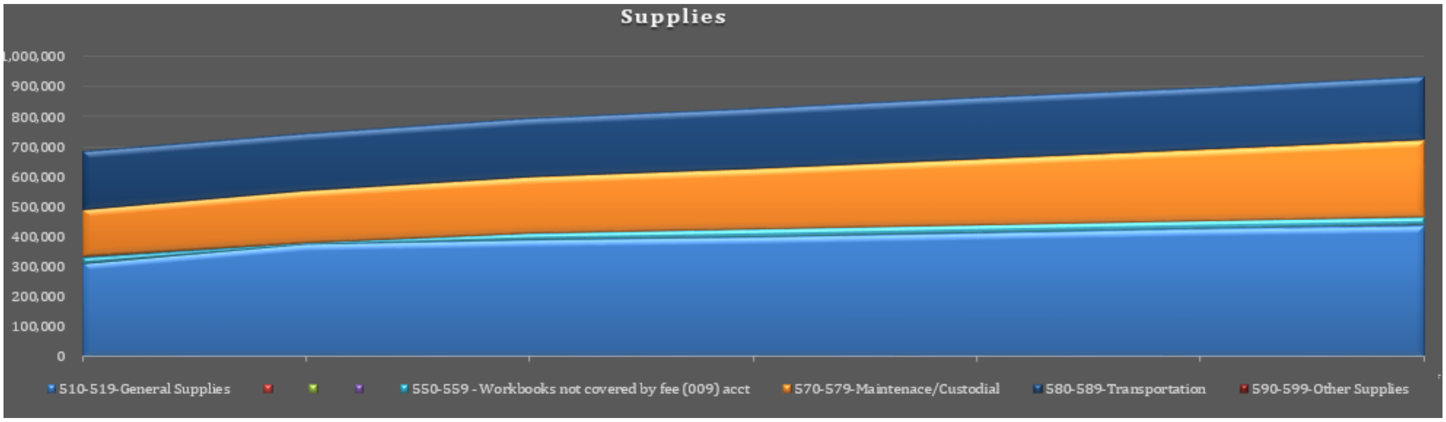
Other purchase services include professional and technical service contracts, property services, professional development, postage services, contracted services, legal fees, pupil transportation and other. Of these categories, property services are the largest contributor at over $390,000 per year. Future years are forecast with changes based on historical data, COLA, fuel prices, etc.

3.04 Supplies

Supplies consists of general supplies (instructional, maintenance, transportation, etc.) textbooks, library books and newspapers/periodicals. This line item is only 4.1% of the operational budget total. Historically the District has seen a 16.7% average increase in the last 5 fiscal years. There was a large increase in FY19 because textbook purchasing increased over $490,000 to account for replacing a large series of English textbooks. FY20 will be the completion of the series with a carryover expense of $50,000. This expenses decreases in FY21-FY23 to $200,000 per year. The overall increase from FY19 to FY20 for textbooks and library books was $68,795 a decrease from $505,099 in FY19. The first graph shows textbooks and library books:



General Supplies cost over $387,000 per year (in addition to the fees collected from students which are not accounted for in the general fund). This expense includes copy paper, classroom supplies, teaching materials, custodial supplies, transportation supplies, etc. The overall increase from FY19 to FY20 for supplies and materials was $62,555 and is forecast to increase $50,081 in FY20, $31,247 FY21, $32,902 FY22, $34,667 FY23 and $36,550 in FY24. Below is a chart that shows how much of each category makes up the expense. The first graph shows general supplies:



3.05 Capital Outlay

This line item is used for capital improvement or equipment purchases so the percentages can be skewed from year to year based on program needs.

Capital Outlay makes up only 1.6% of the overall expense budget. In FY17, there was an increase of $93,000 for a new lease for Elementary Chromebooks, $58,600 for the purchase of 200 Chromebooks and $41,000 for a purchase of Chromebooks. Because of this, equipment costs went up 19.83%. In FY18 it decreased by 36.5% and in FY19, the Equipment line item increased 11.4%. This increase was due to purchasing new machines and a new lease agreement for Chromebooks. In FY20 and forward only 5% increases are budgeted.

Building costs went up in FY17 and FY18 because of needed capital improvements at buildings not covered by the permanent improvement levy. Since the new Middle School and High School are now running, those expenses can be reallocated to that permanent improvement fund resulted in future decreases. Those expenses were significantly reduced from $455,234 in FY18 to $20,032 in FY19. There is $25,000 budgeted each year forward.

Two busses were purchased in FY19 and the following schedule is forecast:

FY20–no new busses, FY21-one new bus, FY22-one new bus, FY23–two new busses and FY24-one new bus.

3.06-4.06 Intergovernmental Debt

In March of 2016, the District borrowed 2.5 million in Certificates of Participation. The line items in this category are based on the principle and interest repayment schedule.

4.30 Other Expenses

This category is less than 1% of the total operating budget. Expenses include audit fees, county auditor property tax collections fees (largest fee), bank charges, insurance and other misc. dues and fees. Historically the average change from year to year for FY15-2019 is a decrease of less than 1%. This line item can vary based on one-time expenses so forecasting forward is based on known factors and historical data.

5.010 to 5.030 Advances and Transfers

Operating transfer out is to move the expense of the payment for Certificates of participation to the correct cost center. That transfer is used for accounting purposes only and is not an expense. Refund of prior year expense are also accounted for in this line item.