GALION CITY SCHOOL DISTRICT-CRAWFORD COUNTY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED JUNE 30, 2018, 2019 and 2020 ACTUAL FORECASTED FISCAL YEARS ENDING JUNE 30, 2021 THROUGH JUNE 30, 2025

GALION CITY SCHOOL DISTRICT

Forecast Provided By
Galion City School District
Treasurer's Office
Charlene Parkinson, Treasurer
May 18, 2021

Galion City School District

Crawford County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2018, 2019 and 2020 Actual;
Forecasted Fiscal Years Ending June 30, 2021 Through 2025

		Actual				Forecasted				
		Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Average Change	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
	Revenues									
1.010	General Property Tax (Real Estate)	4,192,313	4,233,777	4,337,988	1.7%	4,276,397	4,364,072	4,379,610	4,391,332	4,411,676
1.020	Public Utility Personal Property Tax	210,386	220,959	246,736	8.3%	232,926	312,233	325,291	338,348	351,406
1.030	Income Tax	-	-	-	0.0%	-	-	-	-	-
1.035	Unrestricted State Grants-in-Aid	13,715,183	13,946,709	13,780,832	0.2%	13,793,275	13,883,430	13,884,130	13,884,821	13,885,504
1.040	Restricted State Grants-in-Aid	718,870	738,642	748,964	2.1%	700,800	700,800	700,800	700,800	700,800
1.045	Restricted Federal Grants In Aid	-	-	-	0.0%	-	-	-	-	-
1.050	Property Tax Allocation	633,238	689,620	676,846	3.5%	673,013	667,072	669,053	670,081	672,608
1.060	All Other Revenues	1,275,744	1,370,221	1,457,969	6.9%	1,296,338	1,306,237	1,316,235	1,326,334	1,336,533
1.070	*Total Revenues*	20,745,734	21,199,928	21,249,335	1.2%	20,972,749	21,233,844	21,275,119	21,311,716	21,358,527
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	-	-	-	0.0%	-	-	-	-	-
2.020	State Emergency Loans (Approved)	-	-	-	0.0%	-	-	-	-	-
2.040	Operating Transfers-In	-	-	-	0.0%	-	-	-	-	-
2.050	Advances-In	-	-	-	0.0%	-	-	-	-	-
2.060	All Other Financing Sources	47,508	1,793	-	-98.1%	298,847	-	-	-	-
2.070	*Total Other Financing Sources*	47,508	1,793	0	-98.1%	298,847	-	-	-	-
2.080	*Total Revenues and Other Financing Sources*	20,793,242	21,201,721	21,249,335	1.1%	21,271,596	21,233,844	21,275,119	21,311,716	21,358,527
	Expenditures									
3.010	Personal Services	$9,277,765	$9,594,873	$9,887,462	3.2%	$9,903,405	$10,188,457	$10,332,768	$10,479,243	$10,627,915
3.020	Employees' Retirement/Insurance Benefits	$4,502,450	$4,683,881	$4,779,834	3.0%	$4,712,316	$4,843,387	$5,003,166	$5,185,010	$5,374,963
3.030	Purchased Services	$5,504,208	$5,600,218	$5,357,177	-1.3%	$5,395,274	$5,433,013	$5,481,994	$5,531,438	$5,581,350
3.040	Supplies and Materials	961,535	995,965	884,198	-3.8%	475,000	735,610	736,523	737,440	738,362
3.050	Capital Outlay	68,388	5,750	55,363	385.6%	11,250	36,750	13,750	38,750	15,750
3.060	Intergovernmental	-	-	-	0.0%	-	-	-	-	-
	Debt Service:				0.0%					
4.010	Principal-All (Historical Only)	-	-	-	0.0%	-	-	-	-	-
4.020	Principal-Notes	-	-	-	0.0%	-	-	-	-	-
4.030	Principal-State Loans	-	-	-	0.0%	-	-	-	-	-
4.040	Principal-State Advancements	-	-	-	0.0%	-	-	-	-	-
4.050	Principal-HB 264 Loans	-	-	-	0.0%	-	-	-	-	-
4.055	Principal-Other	-	-	-	0.0%	-	-	-	-	-
4.060	Interest and Fiscal Charges	-	-	-	0.0%	-	-	-	-	-
4.300	Other Objects	$191,734	$195,742	$178,996	-3.2%	$187,806	$190,385	$193,014	$195,695	$198,428
4.500	*Total Expenditures*	20,506,080	21,076,429	21,143,030	1.5%	20,685,051	$21,427,602	21,761,214	22,167,576	22,536,768
	Other Financing Uses									
5.010	Operating Transfers-Out	$204,659	$135,489	$438,225	94.8%	$541,000	$275,000	$275,000	$275,000	$275,000
5.020	Advances-Out	-	-	-	0.0%	-	-	-	-	-
5.030	All Other Financing Uses	-	-	-	0.0%	-	-	-	-	-
5.040	*Total Other Financing Uses*	204,659	135,489	438,225	94.8%	541,000	275,000	275,000	275,000	275,000
5.050	*Total Expenditures and Other Financing Uses*	20,710,739	21,211,918	21,581,255	2.1%	21,226,051	21,702,602	22,036,214	22,442,576	22,811,768
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	82,503	(10,197)	(331,920)	1521.4%	45,545	(468,758)	(761,095)	(1,130,860)	(1,453,241)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	4,624,130	4,706,633	4,696,436	0.8%	4,364,516	4,410,061	3,941,303	3,180,207	2,049,347
7.020	*Cash Balance June 30*	4,706,633	4,696,436	4,364,516	-3.6%	4,410,061	3,941,303	3,180,207	2,049,347	596,106
8.010	*Estimated Encumbrances June 30*	23,120	-	17,235	0.0%	20,000	20,000	20,000	20,000	20,000
	Reservation of Fund Balance									
9.010	Textbooks and Instructional Materials	-	-	-	0.0%	-	-	-	-	-
9.020	Capital Improvements	-	-	-	0.0%	-	-	-	-	-
9.030	Budget Reserve	-	-	-	0.0%	-	-	-	-	-
9.040	DPIA	-	-	-	0.0%	-	-	-	-	-
9.045	Fiscal Stabilization	-	-	-	0.0%	-	-	-	-	-
9.050	Debt Service	-	-	-	0.0%	-	-	-	-	-
9.060	Property Tax Advances	-	-	-	0.0%	-	-	-	-	-
9.070	Bus Purchases	-	-	-	0.0%	-	-	-	-	-
9.080	*Subtotal*	-	-	-	0.0%	-	-	-	-	-
10.010	*Fund Balance June 30 for Certification of Appropriations*	4,683,513	4,696,436	4,347,281	-3.6%	4,390,061	3,921,303	3,160,207	2,029,347	576,106

5.10.21

Galion City School District

Crawford County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2018, 2019 and 2020 Actual;
Forecasted Fiscal Years Ending June 30, 2021 Through 2025

		Actual				Forecasted				
		Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Average Change	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal				0.0%	-	-	-	-	-
11.020	Property Tax - Renewal or Replacement				0.0%	-	-	-	-	-
11.300	Cumulative Balance of Replacement/Renewal Levies				0.0%	-	-	-	-	-
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	4,683,513	4,696,436	4,347,281	-3.6%	4,390,061	3,921,303	3,160,207	2,029,347	576,106
	Revenue from New Levies									
13.010	Income Tax - New				0.0%	-	-	-	-	-
13.020	Property Tax - New				0.0%	-	-	-	-	-
13.030	Cumulative Balance of New Levies	-	-	-	0.0%	-	-	-	-	-
14.010	Revenue from Future State Advancements				0.0%	-	-	-	-	-
15.010	*Unreserved Fund Balance June 30*	4,683,513	4,696,436	4,347,281	-3.6%	4,390,061	3,921,303	3,160,207	2,029,347	576,106

Galion City School District – Crawford County
Notes to the Five Year Forecast
General Fund Only
May 18, 2021

Introduction to the Five Year Forecast

School districts are required to file a five (5) year financial forecast by November 30, 2020, and May 31, 2021 for fiscal year 2021 (July 1, 2020 to June 30, 2021). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. Fiscal year 2021 (July 1, 2020-June 30, 2021) is the first year of the five-year forecast and is considered the baseline year. Our forecast is being updated to reflect the most current economic data available to us for the May 2021 filing.

Economic Outlook

This five-year forecast is being filed during a recovery from the COVID-19 Pandemic and a health and financial struggle that encompassed our state, country and global economy. School districts play a vital role in their communities and we believe it is important to maintain continuity of services to our students and staff. The district has maintained services to students throughout the Pandemic. The State of Ohio's economic pressure has not been as great as first expected due to the effects of the pandemic thus the restoration of a portion of the original school foundation funding cuts was ordered by the Governor on January 22, 2021. Federal funding sent to school districts through the Elementary and Secondary Schools Education Relief Funds (ESSER) has also been a much needed resource to offset the loss of state funding. Additional Federal CARES Act funding was used to cover the costs of additional technology needs, personal protective equipment, and cleaning costs caused by the pandemic. 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.

May 2021 Updates:

Revenues FY21:

The overview of revenues shows that we are substantially on target with original estimates at this point in the year. Total General Fund revenues (line 1.07) are estimated to be $20,972,749 or .45% lower than the November forecasted amount of $21,067,070. This indicates the November forecast was 99.55% accurate.

Property tax revenue is down $135,000 likely due to higher delinquent taxes resulting from the pandemic. We will watch this closely and expect collections to return to normal levels in the 2nd half 2021 collections.

State Aide, as noted above, began the year with continued cuts at the FY20 level; however, on January 22, 2021 Governor DeWine reinstated funding of approximately 53% of those reductions thus having a positive impact of $113,369 for our district's revenue.

All other areas of revenue are tracking as anticipated for FY21 based on our best information at this time.

Expenditures FY21:

Total General Fund expenditures (line 4.5) are estimated to be $20,685,051 for FY21 which is lower than the original estimate of $21,159,976 in the November forecast. Line 3.04 supplies is trending about $475,000 lower than originally estimated. The Student Wellness and Success Funds (SWSF) and ESSER Funds the district received has helped lower costs originally projected in the general fund. This will have a positive effect on the long term forecast.

***Unreserved Ending Cash Balance*:**
With revenues slightly below estimates and expenditures below estimates, our ending unreserved cash balance June 30, 2021 is anticipated to be roughly $4.55 million. The ending unreserved cash balance on Line 15.010 of the forecast is anticipated to be a negative accumulative balance through 2025 if assumptions we have made for state aid in future state budgets remain close to our estimates, and there are no future state budget cuts to our funding beyond FY21.

Forecast Risks and Uncertainty:
A five year financial forecast has risks and uncertainty not only due to economic uncertainties noted above but also due to state legislative changes that will occur in the spring of 2021 and 2023 due to deliberation of the next two (2) state biennium budgets for FY22-23 and FY24-25, both of which affect this five year forecast. We have estimated revenues and expenses based on the best data available to us and the laws in effect at this time. The items below give a short description of the current issues and how they may affect our forecast long term:

1) HB166 the current state budget for FY20-21 initially froze funding for all school districts in Ohio at their FY19 level with two exceptions student wellness and success funding and enrollment growth supplement funds: Student Wellness and Success is restricted in use and must be placed in Fund 467. This is not General Fund money and thus not included in the forecast. The current proposed state budget for FY22 - FY23 is Sub. HB110 and it includes increases for SWSF for each year of the biennium budget along with guarantees that no district will receive less funding than they received in FY21. We have assumed this money will continue through FY25. Enrollment Growth Supplement money is paid to a small number of growing districts and Sub. HB110 also proposes these funds be continued in FY22 and FY23 at current FY21 levels. We do not received Enrollment Growth Supplement funds.

2) While state funding was initially guaranteed at the FY19 level, the Coronavirus Pandemic caused the most rapid and largest decrease of employment in history. In order to balance the State Budget on May 6, 2020 the Governor ordered a reduction of state foundation funding to school districts by $300.5 million by the end of June 2020. These cuts were to continue through FY21 as well, however the Governor subsequently reinstated $160 million of these reductions to school districts in an executive order dated January 22, 2021. With the economy rebounding from the sharp drop in employment in March and April 2020 and state tax revenues well above estimates for FY21, we anticipate funding will remain unchanged for the rest of FY21. Governor DeWine submitted his FY22-FY23 biennial budget (Sub. HB110) which returns state foundation funding to schools at their FY19 funded level. The biennial budget is now working its way through the legislative process. HB1, also known as the Fair School Funding Bill, was introduced on February 4, 2021 and will work its way through the legislative process where it has been combined with Sub. HB110. The certainty of foundation funding levels will not likely be known until late June 2021. At this time the FY19 funding level is the basis for districts state funding in FY22 and FY23. We believe Ohio's economy will continue to improve through FY21 and that FY22-25 will see funding returned to the FY19 levels at a minimum. We will not project an increase beyond the FY19 levels at this time until the state budget it known for FY22 and FY23.

3) The State Budget represents 72.3% of district revenues and is an area of risk to revenue. The future risk comes in FY22 and beyond if the state economy stalls or worsens and the funding formula in future state budgets reduce funding to our district. There are two future State Biennium Budgets covering the period from FY22-23 and FY24-25 in this forecast. Future uncertainty in both the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long range through FY25. We have projected our state funding to be in line with the FY19 funding level FY22 through FY25 which we feel is conservative and should be close to whatever the state approves for the FY22-23 biennium budget. We will adjust the forecast in future years as we have data to help guide this decision.

4) Property tax collections are the second largest single revenue source for the school system. The housing market in our district is stable and growing. We project continued growth in appraised values every three (3) years and new construction growth with continued modest increases in local taxes. Total local revenues which are predominately local taxes equate to 27.7% of the district's resources. Collection rates for the 1st half 2020 collection in 2021 did show a slight decline in collections declines due to increased delinquent taxes. We believe this will come back the second half of the 2021 collections as the economy recovers. We believe there is a low risk that local collections would fall below projections in the forecast.

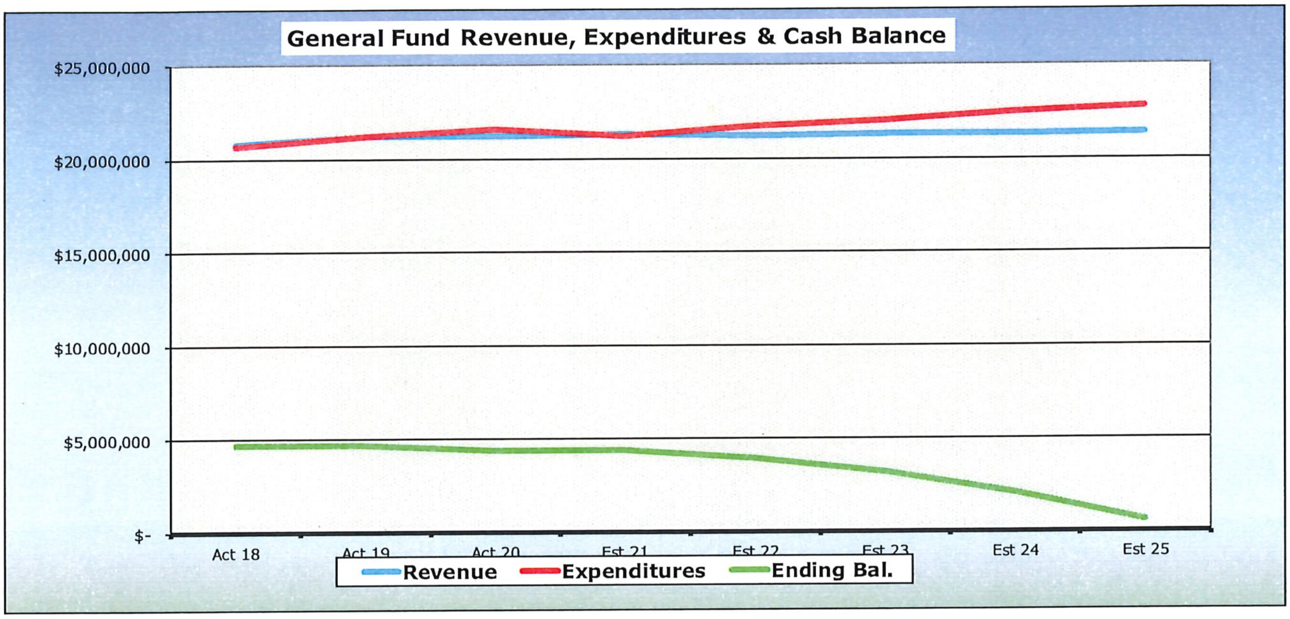
5) Being in three different counties can pose many challenges in determining the increases or decreases in values. Crawford County had a reappraisal in 2018 and an update will occur in 2021. Morrow and Richland counties had a reappraisal update in 2020 with a full reappraisal occurring in 2023. Crawford's 2018 reappraisal provided an increase in values overall of $14.76 million or 8.57%. Additionally, we estimate their update in 2021 to provide an increase in values overall of $4.84 million or 2.80%. Morrow and Richland counties reappraisal update in 2020 provided an increase in overall values of $726,460 or .29% increase. We estimate the 2023 reappraisal will provide an increase in overall values at $1.45 million or .80%. There is, however, always a minor risk that the district could sustain a reduction in values in the upcoming appraisal/reappraisal updates, but we do not anticipate that at this time.

6) HB166 continues the many provisions contained in prior state biennium budgets that will continue to draw funds away from our district through continuing school choice programs such as College Credit Plus, Community Schools and increases in per pupil scholarship amounts deducted from our state aid in the 2019-21 school years, even though funding for our students was decreased to our district for this biennium budget. These are examples of school choice programs that increase with each biennium budget and costs the district money. Expansion or creation of programs such as these can exposes the district to new expenditures that are not currently in the forecast. We are monitoring any new threats to our state aid and increased costs very closely as the proposed new state budget bill Sub. HB110 moves through the legislative process.

7) Labor relations in our district have been amicable with all parties working for the best interest of students and realizing the resource challenges we face. We believe as we move forward our positive working relationship will continue and will only grow stronger.

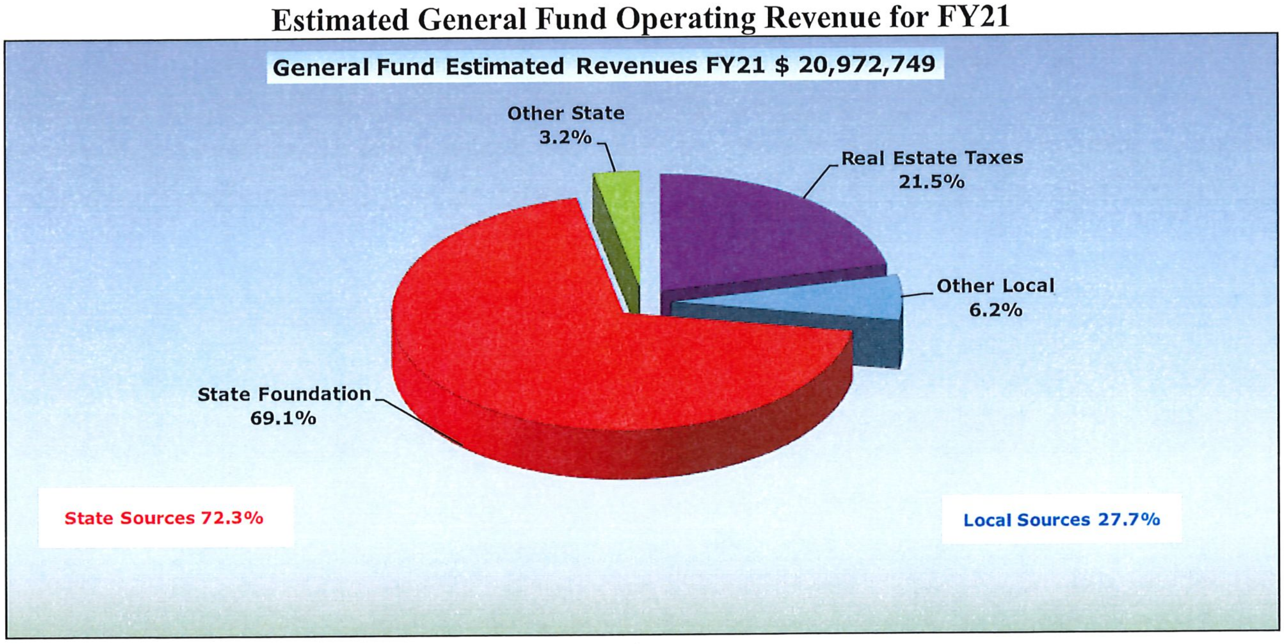
The major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information please feel free to contact Charlene Parkinson, Treasurer/CFO at 419.468.3432 x11003.

General Fund Revenue, Expenditure and Ending Cash Balance Actual FY18-20 and Estimated FY21-25
The graph captures in one snapshot the operating scenario facing the District over the next few years.



Revenue Assumptions

Estimated General Fund Operating Revenue for FY21



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. Crawford County experienced a reappraisal for the 2018 tax year to be collected in 2019. Residential/agricultural values increased 8.44% or $10.93 million due to the reappraisal update led by an improving housing market. Commercial/industrial values increased 13.50% or $3.83 million, this is an overall increase by $14.76 million or 8.57%. Morrow and Richland counties

experienced a reappraisal update in tax year 2020 to be collected in 2021. Residential/agricultural values increased .36% or $509,610. Commercial/industrial values increased by .70% or $216,850, this is an overall increase of $726,460 or .29%.

A reappraisal update will occur in Crawford County in 2021 for collection in 2022 for which we are estimating a 3% increase in residential and a 2% increase for commercial/industrial property. Additionally, Morrow and Richland counties will experience a full reappraisal in 2023 to be collected in FY24, providing a 1% increase in residential and a 0% increase for commercial/industrial property. CAUV values represent 7.8% of Class I residential/agricultural values and possess no significant concern on lowering our values.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

Classification	Actual TAX YEAR2020 COLLECT 2021	Estimated TAX YEAR2021 COLLECT 2022	Estimated TAX YEAR2022 COLLECT 2023	Estimated TAX YEAR2023 COLLECT 2024	Estimated TAX YEAR2024 COLLECT 2025
Res./Ag.	$140,564,990	$144,811,940	$144,841,940	$146,320,359	$150,739,970
Comm./Ind.	31,228,140	31,792,703	31,732,703	31,672,703	32,246,157
Public Utility Personal Property (PUPP)	5,853,040	6,103,040	6,353,040	6,603,040	6,853,040
Total Assessed Value	$177,646,170	$182,707,683	$182,927,683	$184,596,102	$189,839,167

Estimated Real Estate Tax (Line #1.010)

Source	FY21	FY22	FY23	FY24	FY25
General Property Taxes	$4,276,397	$4,364,072	$4,379,610	$4,391,332	$4,411,676

Property tax levies are estimated to be collected at 95% of the annual amount. This allows 5% delinquency factor. Lower collection rates predicted due to the COVID-19 pandemic and economic slowdown did occur in the first half 2021 collection which was lower by $135,000. In general, 55.60% of the Residential/Agricultural and Commercial/Industrial property taxes are expected to be collected in the February tax settlement and 44.40% collected in the August tax settlement. Public Utility tax settlements (PUPP taxes) are estimated to be received 50% in February and 50% in August settlement from the County Auditor and are noted in Line #1.02 totals below.

Levy Renewal – Line# 11.02

Residents renewed the 7.73 mill operating levy that was expiring December 31, 2021. The levy was renewed for a five (5) year period with the last collection ending in December 31, 2026. Renewal levies do not increase taxes for the school district or cost resident's additional taxes.

New Tax Levies – Line #13.030

No new levies are modeled in this forecast.

Estimated Public Utility Personal Tax – Line#1.020

The phase out of TPP Tangible Personal Property taxes began in FY06 with HB66 adopted in June 2005 and the provisions of the legislation that general tangible personal property (TPP) tax would be eliminated after FY11. Any TPP revenues received FY12 and beyond are delinquent taxes. The amounts received below are generally all Public Utility Personal Property (PUPP) taxes which are an ongoing property tax collection. Collections are typically 50% in February and 50% in August along with the real estate settlements from the county auditor.

Source	FY21	FY22	FY23	FY24	FY25
Public Utility Personal Property (Line#1.020)	$232,926	$312,233	$325,291	$338,348	$351,406

State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045
Current State Funding Model Per HB166 Through June 30, 2021
A) Unrestricted State Foundation Revenue– Line #1.035

The amounts estimated for state funding are based on HB166 which on May 6, 2020 was cut and then funding partially restored by executive order signed January 22, 2021 by the Governor. Initially state aid funding for all 610 traditional school districts and 49 Joint Vocational and Career Centers was frozen for FY20 & FY21 at the FY19 funding level. The State Foundation Funding Formula used since FY14 was dropped in FY20 after six (6) years. HB1, aka the Fair School Funding plan, is currently being considered by the legislature and has been combined with Sub. HB110 and will produce a successor funding formula for the FY22-23 biennium budget. Currently Sub. HB110, the proposed budget, projects funding for districts at FY19 guarantee amounts for FY22 and FY23. For this reason we have projected state aid flat at the FY19 funding level through FY25 as we have nothing authoritative to rely on at this time.

Foundation Funding Partially Restored January 22, 2021 for FY21

On January 22, 2021 the Governor signed an executive order reinstating $160 million of previous cuts to public schools thus reducing the cuts in FY21. At this time the state funding for FY21 is being reduced $104,470 from the FY19 amount.

Supplemental Funding for Student Wellness and Success (Restricted Fund 467)

Nearly all of the new funding for K-12 public education in the FY20-21 Executive Budget is provided through a formula allocating $250 million in FY20 and $358 million in FY21 based upon each district's percentage of students in households at or below 185% of the Federal Poverty Level (FPL) and the total number of students enrolled in each district. In FY21, proposed funding ranges from $30 per student to $360 per student. All schools and students are to receive a minimum additional funding of $36,000 in FY21. All districts are guaranteed to get 131% of what they received in FY20, and the proposed state budget (Sub. HB110) is guaranteeing all districts will get 100% of what they received in FY21 for FY22 and FY23. Our district is estimated to receive $556,542 in FY21. Money will be received twice each year in October and February. These dollars are to be deposited in a Special Revenue Fund 467 and are restricted to expenses that follow a plan developed in coordination with two approved community partner organizations per HB110.

At this time our district is recoding qualified General Fund expenses that is servicing student needs as identified in Ohio Revised Code 3317.26 (B) and our approved plan to Fund 467 for FY20 and FY21. The Governor of Ohio has assured districts these funds will continue in future state budgets. We will continue to fund these initiatives in Fund 467 through FY25 since Sub. HB110 provides that these funds will continue in FY22 and FY23 at FY21 levels at a minimum.

Future State Budgets: Our funding status for the FY22-25 will depend on two (2) new state budgets which are unknown. With the change to the state funding and reductions for FY20-21 state amounts, we will increase funding in FY22 back to FY19 levels and hold it level FY22 through FY25. We believe our current state funding estimates for FY21-25 are reasonable and that we will adjust the forecast in the future when we have authoritative data to work with.

Casino Revenue

On November 3, 2009 Ohio voters passed the Ohio casino ballot issue. This issue allowed for the opening of four (4) casinos one each 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% GCR 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 which began for the first time on January 31, 2013.

Due to the COVID-19, casinos were closed from March 12, to June 18, 2020. We are reducing the amount of funding in FY21 by 26% then increasing the amount in FY22 back to FY20 levels as Casino revenues appear to have dipped largely due to their closure and not in response to the economic downturn. Prior to COVID-19 closure, casino revenues were growing modestly as the economy improved. Original projections for FY21-25 estimated a .4% decline in pupils to 1,778,441 and GCR increasing to $95.5 million or $53.75 per pupil. We believe it will be FY22 when revenues return to the post COVID-19 level.

Source	FY21	FY22	FY23	FY24	FY25
Basic Aid-Unrestricted	$13,444,911	$13,516,146	$13,516,146	$13,516,146	$13,516,146
Additional Aid Items	277,342	277,342	277,342	277,342	277,342
Basic Aid-Unrestricted Subtotal	13,722,253	13,793,488	13,793,488	13,793,488	13,793,488
Ohio Casino Commission ODT	71,022	89,942	90,642	91,333	92,016
Total Unrestricted State Aid Line # 1.035	$13,793,275	$13,883,430	$13,884,130	$13,884,821	$13,885,504

B) Restricted State Revenues – Line # 1.040

HB166 continues funding two restricted sources of revenues to school districts which are Economic Disadvantaged Funding and Career Technical Education Funding. The amount of the Economically Disadvantaged Aid is estimated to remain stable each remaining year of the forecast. The district has elected to post their state Gifted Supplement as restricted aid. We have incorporated this amount into the restricted aid amount in Line #1.04 for FY21-25.

Source	FY21	FY22	FY23	FY24	FY25
Economically Disadvantaged Aid	$476,271	$476,271	$476,271	$476,271	$476,271
Career Tech	136,790	136,790	136,790	136,790	136,790
Gifted Supplement	87,739	87,739	87,739	87,739	87,739
Total Restricted State Revenues Line #1.040	$700,800	$700,800	$700,800	$700,800	$700,800

C) Restricted Federal Grants in Aid – line #1.045

No federal unrestricted grants are projected FY21-25.

Summary of State Foundation Revenues	FY21	FY22	FY23	FY24	FY25
Unrestricted Line # 1.035	$13,793,275	$13,883,430	$13,884,130	$13,884,821	$13,885,504
Restricted Line # 1.040	700,800	700,800	700,800	700,800	700,800
Restricted Federal - Line #1.045	0	0	0	0	0
Total State Foundation Revenue	$14,494,075	$14,584,230	$14,584,930	$14,585,621	$14,586,304

State Taxes Reimbursement/Property Tax Allocation – Line #1.050
Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from Ohio for tax credits given owner occupied residences equaling 12.5% of the gross property taxes charged residential taxpayers on tax levies passed prior to September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013 which is the effective date of HB59. HB66, the FY06-07 budget bill, previously eliminated 10% rollback on Class II (commercial and industrial) property.

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 of age or older or who are disabled regardless of income. Effective September 29, 2013, HB59 changed the requirement for Homestead Exemptions. Individual taxpayers who do not currently have their Homestead Exemption approved or those who do not get a new application approved for tax year 2013, and who become eligible thereafter 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 going forward 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.

Summary of State Tax Reimbursement – Line #1.050

Source	FY21	FY22	FY23	FY24	FY25
Rollback and Homestead (Line #1.05)	$673,013	$667,072	$669,053	$670,081	$672,608

Other Local Revenues – Line #1.060

All other local revenue encompasses any type of revenue that does not fit into the above lines. The main sources of revenue in this area are open enrollment, tuition for court placed students, pay to participate fees, student fees, and general rental fees. Beginning in FY21 interest is expected to decline due to fed rate reductions resulting from the COVID-19 recession which will impact our earning capability in this area. Other income and rentals are expected to be lower due to COVID-19 restrictions and lower utilization. All other revenues are expected to continue on historic trends.

Source	FY21	FY22	FY23	FY24	FY25
Open Enrollment Gross	$627,735	$634,012	$640,352	$646,756	$653,224
Interest	35,508	35,508	35,508	35,508	35,508
Medicaid & CAT Aid	248,400	250,881	253,387	255,918	258,474
Tuitions	114,071	115,212	116,364	117,528	118,703
Other Income and rentals	270,624	270,624	270,624	270,624	270,624
Total Line # 1.060	$1,296,338	$1,306,237	$1,316,235	$1,326,334	$1,336,533

Short-Term Borrowing – Lines #2.010 & Line #2.020

There is no short term borrowing planned for in this forecast at this time from any sources.

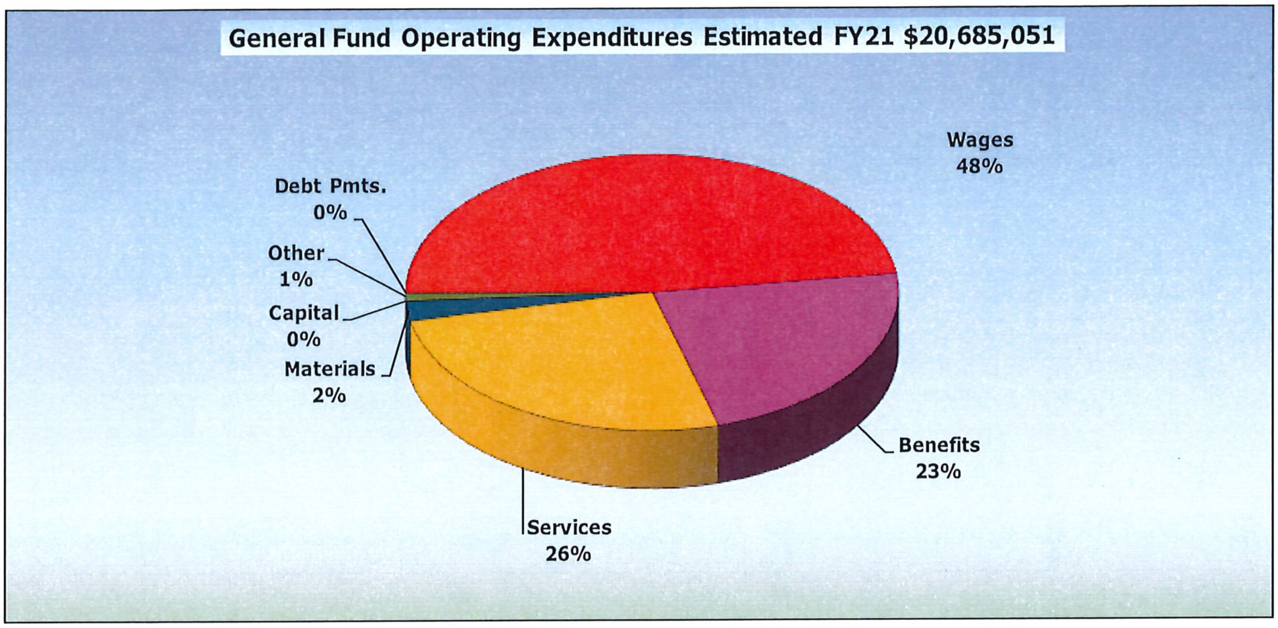
All Other Financial Sources – Line #2.060

This funding source is typically a refund of prior year expenditures that is very unpredictable and we will not project that occurring in the remainder of the forecast. We have received two (2) BWC refunds in FY21 totaling $293,847. These amount are unpredictable year to year and are not projected FY22 through FY25.

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 needs. As the administration of the district reviews expenditures, the education of the students is always the main focus for resource utilization.

Estimated General Fund Operating Expenditures for FY21



Wages – Line #3.010

The District is implementing a "pause" in all hiring relating to attrition, for fiscal year 2021 a salary/benefits reduction of $500,000 is reflected that is attributable to several positions being absorbed and not replaced. As of May, 2019the Galion Board of Education entered into a three (3) year agreement with the Galion Education Association and with the Ohio Association of Public School Employees. The financial impact of these two contracts are fully recognized in this forecast submission. The forecast represents salary increases based upon negotiated "step increases" per the collective bargaining agreements with the Galion Education Association and the Ohio Association of Public Employees that end August 14, 2022and June 30, 2022 respectively. Negotiations with bargaining unit members resulted in an agreement through FY22 that provides for base increases of 3% and 2.5% for FY21 and FY22 respectively. For planning purposes a 0% base amount has been used for FY23-25.

Additional ESSER II and III funds will be allocated to our district that can be used through September, 2023 and September 2024, respectively, which will continue to offset the COVID expenses and help with academic support for lost learning due to school closures as a result of the pandemic. These adjustments will be made when the plans have been approved in the state CCIP program and the required hearings for ESSER III have taken place. Interim final rules for ESSER III were just released on April 22, 2021. There is more information forthcoming on use of these funds as of the filing of this forecast.

Source	FY21	FY22	FY23	FY24	FY25
Base Wages	$9,655,818	$9,577,051	$9,620,707	$9,765,018	$9,911,493
Steps & Training	144,837	143,656	144,311	146,475	148,672
Substitutes	216,000	216,000	216,000	216,000	216,000
Supplementals	351,750	351,750	351,750	351,750	351,750
Staff Reductions/Attrition	(465,000)	(100,000)	0	0	0
Total Wages Line #3.010	$9,903,405	$10,188,457	$10,332,768	$10,479,243	$10,627,915

Fringe Benefits Estimates Line 3.02

This area of the forecast captures all costs associated with benefits and retirement costs. These payments along with HSA costs are included in the table below.

A) STRS/SERS

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. It is exclusively used to fund health care.

B) Insurance

The District participates in the Wyandot-Crawford Health Benefit Plan (Plan) to provide major medical, prescription and dental coverage for participating employees. The Plan is a public entity shared risk pool. The Plan pays all claims for covered participants and provides for stop loss coverage for claims in excess of $200,000. Major medical claims are reviewed by the District on a monthly basis and analyzed daily by the Plan administrator. We are estimating rate increases of 3.0% for FY21, 4% for FY22, 4.6% for FY23 and 5% for FY24-25 which reflects trend and the likely increase in health care costs. This is based on our current employee census and claims data. Renewal occurs January 1 each year.

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 health care costs in the forecast.

C) Workers Compensation & Unemployment Compensation

Workers Compensation is expected to be about .05% of wages FY21– FY25. Unemployment is expected to remain at a very low level FY21-FY25. The district is a direct reimbursement employer, which means 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 increases in wages 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.

Estimated Fringe Benefits – Line #3.020

Source	FY21	FY22	FY23	FY24	FY25
A) STRS/SERS	$1,724,430	$1,761,581	$1,783,312	$1,808,870	$1,834,810
B) Insurance's	2,768,493	2,855,233	2,986,574	3,135,903	3,292,698
C) Workers Comp/Unemployment	50,517	51,942	52,664	53,396	54,140
D) Medicare	143,876	149,631	155,616	161,841	168,315
Other/Tuition	25,000	25,000	25,000	25,000	25,000
Total Fringe Benefits Line #3.020	$4,712,316	$4,843,387	$5,003,166	$5,185,010	$5,374,963

Purchased Services – Line #3.030

Purchased Services comprise 25% of the total District Expenditure budget. Of this total amount, approximately 34% are controllable by the district including professional fees (legal, property and casualty insurance, lease payments), data and telecommunication fees, and physical plant expenditures (utilities, trash/snow removal). These expenses are forecast at a minimal increases year over year, FY21-FY25 based on historical trends.

The largest component of Purchased Services is comprised of expenditures for Open Enrollment, Community Schools, Educational Service Center charges, and Scholarships/Tuitions and fees associated with the Office of Exceptional Children requirements. These expenses are only marginally controllable by the District. The new State Level biennium budget provides for a category of funding called Student Wellness. Expenses related to student wellness, previously recorded to the District General Fund, that will be recorded FY20 through FY25 to Fund 467 which assumes these funds continue in future state budgets. This will result in a decrease in purchased services.

Additional ESSER II and III funds will be allocated to our district that can be used through September, 2023 and September 2024, respectively, which will continue to offset the COVID expenses and help with academic support for lost learning due to school closures as a result of the pandemic. These adjustments will be made when the plans have been approved in the state CCIP program and the required hearings for ESSER III have taken place. Interim final rules for ESSER III were just released on April 22, 2021. There is more information forthcoming on use of these funds as of the filing of this forecast.

Source	FY21	FY22	FY23	FY24	FY25
Base Services	$99,930	$99,930	$100,929	$101,938	$102,957
Excess Cost County ESC	462,365	466,989	471,659	476,376	481,140
Open Enrollment Deduction-477	1,266,610	1,279,276	1,292,069	1,304,990	1,318,040
Community School Deductions-478	1,064,510	1,069,833	1,075,182	1,080,558	1,085,961
Tuition, CC+ and Ed Scholarship-479	537,323	542,696	548,123	553,604	559,140
Professional Support 41x	989,250	989,250	999,143	1,009,134	1,019,225
Building Maintenance Repairs 42x	398,214	402,196	406,218	410,280	414,383
Utilities	577,072	582,843	588,671	594,558	600,504
Total Purchased Services Line #3.030	$5,395,274	$5,433,013	$5,481,994	$5,531,438	$5,581,350

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.

Additional ESSER II and III funds will be allocated to our district that can be used through September, 2023 and September 2024, respectively, which will continue to offset the COVID expenses and help with academic support for lost learning due to school closures as a result of the pandemic. These adjustments will be made when the plans have been approved in the state CCIP program and the required hearings for ESSER III have taken place. Interim final rules for ESSER III were just released on April 22, 2021. There is more information forthcoming on use of these funds as of the filing of this forecast.

Source	FY21	FY22	FY23	FY24	FY25
Supplies	$156,352	$356,352	$356,352	$356,352	$356,352
Textbooks	97,632	97,632	97,632	97,632	97,632
Building Maintenance	99,053	99,053	99,053	99,053	99,053
Transportation	121,963	182,573	183,486	184,403	185,325
Total Supplies Line #3.040	$475,000	$735,610	$736,523	$737,440	$738,362

Equipment – Line # 3.050
These items are projected at a minimal increase year over year 2021-2025. In addition the District has projected a small amount in capital outlays to plan for the disposition and replacement of aging equipment such as lawn mowers, hydraulic lift jacks and other related machinery to maintain a District of 60 acres of land and various facilities totaling 325,000 square feet. The District does not anticipate costs increasing significantly in this line because most capital outlay is paid by the Permanent Improvement Fund.

Additional ESSER II and III funds will be allocated to our district that can be used through September, 2023 and September 2024, respectively, which will continue to offset the COVID expenses and help with academic support for lost learning due to school closures as a result of the pandemic. These adjustments will be made when the plans have been approved in the state CCIP program and the required hearings for ESSER III have taken place. Interim final rules for ESSER III were just released on April 22, 2021. There is more information forthcoming on use of these funds as of the filing of this forecast.

Source	FY21	FY22	FY23	FY24	FY25
Capital Outlay	$11,250	$36,750	$13,750	$38,750	$15,750
Total Equipment Line #3.050	$11,250	$36,750	$13,750	$38,750	$15,750

Other Expenses – Line #4.300
The category of Other Expenses consists primarily of Auditor & Treasurer fees, our annual audit and other miscellaneous expenses. A rate of 1% increase is projected in this area.

Source	FY21	FY22	FY23	FY24	FY25
County Auditor & Treasurer Fees	$137,726	$139,103	$140,494	$141,899	$143,318
County ESC	10,000	10,000	10,000	10,000	10,000
Other expenses	40,080	41,282	42,520	43,796	45,110
Total Other Expenses Line #4.300	$187,806	$190,385	$193,014	$195,695	$198,428

Transfers Out/Advances Out – Line# 5.010
Amounts in this category reflect transfers from the general fund to the following funds, Permanent Improvement, Severance, High School Athletics and Campus Wear. The District does not have a voter approved Permanent Improvement Levy, but the required year-end balance in the Permanent Improvement Fund, per House Bill 59, is approximately $360,000.

Each year all Casino receipts, estimated at approximately $90,000 per year, are transferred to the Permanent Improvement Fund. It is anticipated that the COVID-19 pandemic will have a negative impact on Casino Revenues for the next few years. In addition, provisions have been made in Fiscal 2021-2025 to transfer funds to Permanent Improvement to cover the costs of school bus garage payment, HB264 payback, network and uninterrupted power source components, overhead projectors, one to one devices for students, maintenance vehicles, Heise Park improvements including bleachers, press box and running track and District parking lots.

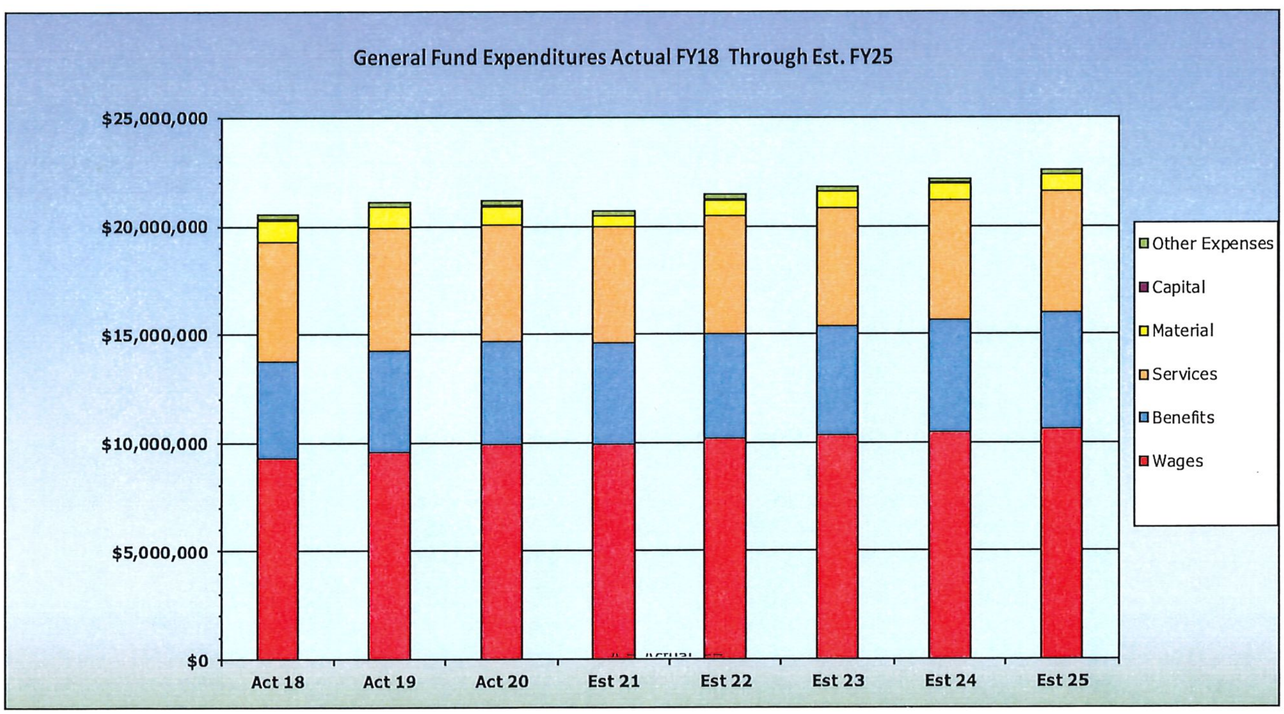
Severance costs are also included as operating transfers out to minimize the impact on the general fund for retirements and other expenses associated with the termination of employment. Lastly the District has a campus wide dress code and provides financial support for those families who are not able to afford the approved dress code attire.

Source	FY21	FY22	FY23	FY24	FY25
Operating Transfers Out Line #5.010	$541,000	$275,000	$275,000	$275,000	$275,000
Advances Out Line #5.020	0	0	0	0	0
Total Transfer & Advances Out	$541,000	$275,000	$275,000	$275,000	$275,000

Encumbrances –Line#8.010
These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered.

	FY21	FY22	FY23	FY24	FY25
Estimated Encumbrances	$20,000	$20,000	$20,000	$20,000	$20,000

Operating Expenditures Actual FY18 through FY20 and Estimated FY21-FY25
As the graph on the following page indicates, we have been diligent at reducing costs in reaction to lower and flat state revenues in the past. We are maintaining control over our expenses while balancing student academic needs to enable them to excel and do well on state performance standards.



Ending Unencumbered Cash Balance "The Bottom-line"– 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 which results in a negative unencumbered cash balance is a

violation of 5705.412, ORC punishable by personal liability of $10,000. It is recommended by the GFOA and other authoritative sources that a district maintains a minimum of thirty (30) day cash balance.

	FY21	FY22	FY23	FY24	FY25
Ending Unencumbered Cash Balance	$4,390,061	$3,921,303	$3,160,207	$2,029,347	$576,106

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 Years Ending Cash Balance divided by (Current Years Expenditures/365 days) = number of days the district could operate without additional resources or a severe resource interruption. The government finance officers association recommends no less than two (2) months or 60 days cash is on hand at year end but could be more depending on each districts 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. The graph below includes revenue assuming the renewal levy is approved.