

# Worthington City School District



General Fund

Five Year Forecast

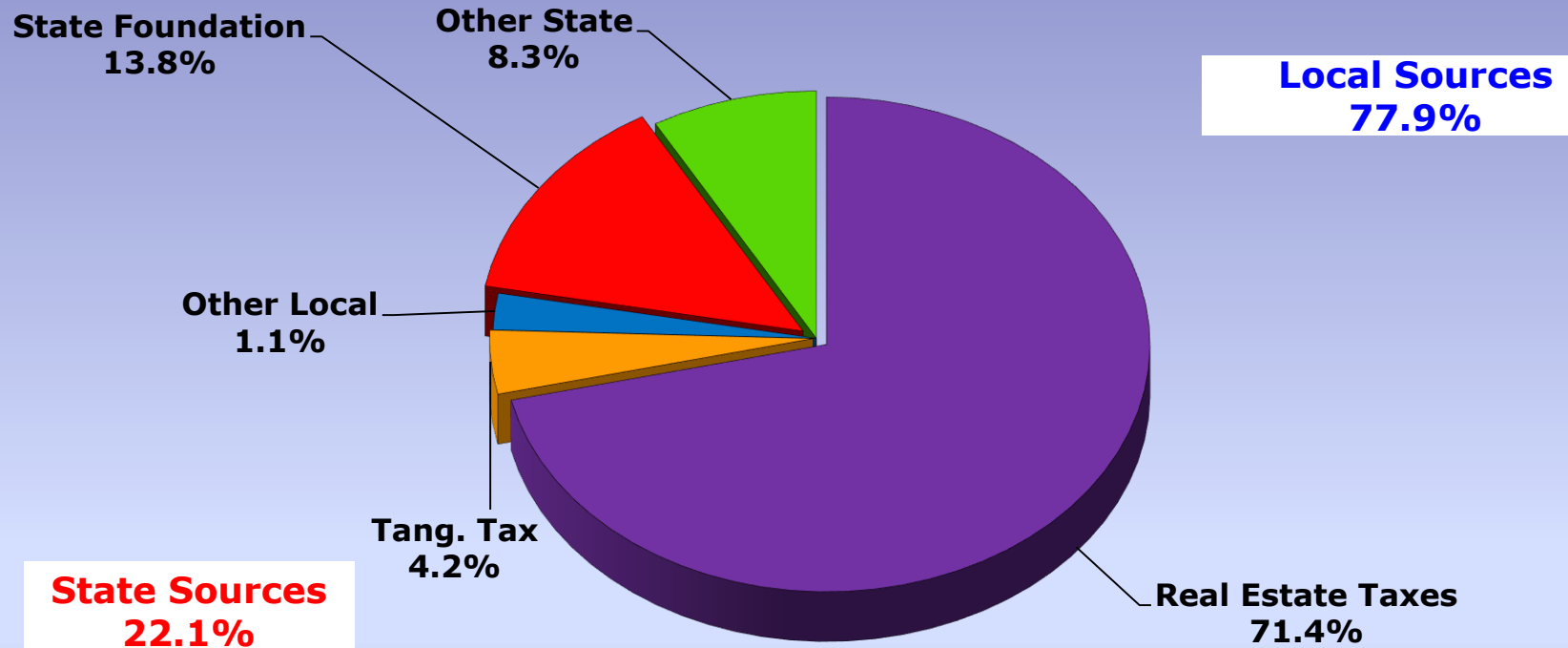
July 1, 2019 Through June 30, 2024

October 28, 2019

Presented By Jeff McCuen, CPA, Treasurer/CFO

# Total Operating Revenues

General Fund Revenues Estimated 2020 \$144,381,000



# Revenue

- Total revenues up \$2M
  - Increased projected real estate tax by \$5.5M due to expected triennial update of 17%.
  - Decreased projected state aid by \$4.5M due to the FY20-FY21 biennial budget freezing support at FY19 amounts.
  - Increased other areas of revenue of \$1M for interest, tuition and homestead rollback.

# State Funding

- FY20-21 State budget freezes us at the FY19 levels, creating a \$4.4 million shortfall
- We assume no increase in base cost of \$6,020 and 2% increase in cap in future years at this time, but the Cupp-Patterson plan is significantly more.

	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
Capped Formula Aid	\$17.7	\$17.5	\$17.7	\$18.0	\$18.2
Uncapped Formula Aid	<u>\$22.1</u>	<u>\$22.5</u>	<u>\$23.1</u>	<u>\$23.6</u>	<u>\$23.9</u>
Difference (millions)	(\$4.4)	(\$5.0)	(\$5.4)	(\$5.6)	(\$5.7)

# Tuition

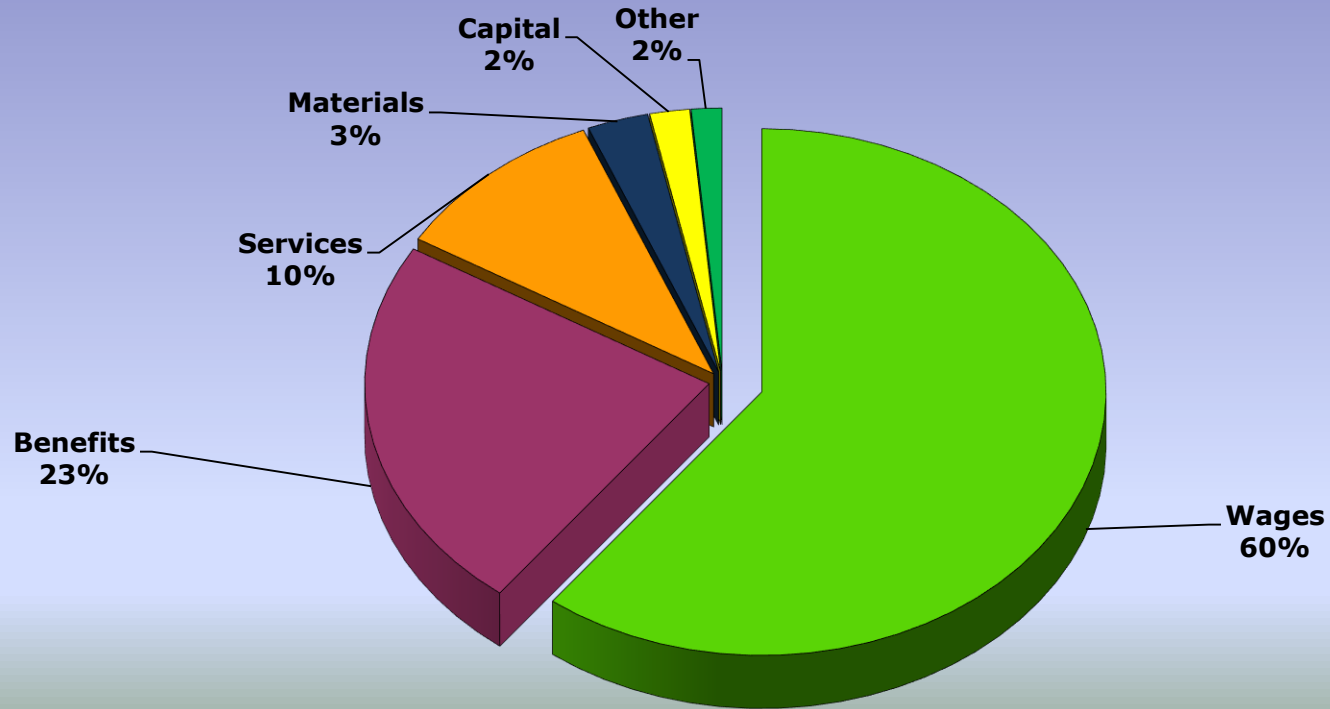
- Current funding formula includes all resident students to determine gross state aid, and applies indexes to determine net aid, but then deducts full gross amount for students attending community schools and other scholarship/choice programs

Source	FY20	FY21	FY22	FY23	FY24
Community School	\$1.3	\$1.3	\$1.3	\$1.3	\$1.3
Scholarships	<u>\$2.0</u>	<u>\$2.1</u>	<u>\$2.3</u>	<u>\$2.5</u>	<u>\$2.7</u>
Total	\$3.3	\$3.4	\$3.6	\$3.8	\$4.0
Community ADM	120	125	130	135	140
Scholarship ADM	<u>101</u>	<u>106</u>	<u>111</u>	<u>116</u>	<u>121</u>
Total ADM	221	231	241	251	261

- The Cupp-Patterson plan funds these directly, which we advocate for, but creates funding challenges for the state that need to be addressed

# Total Operating Expenditures

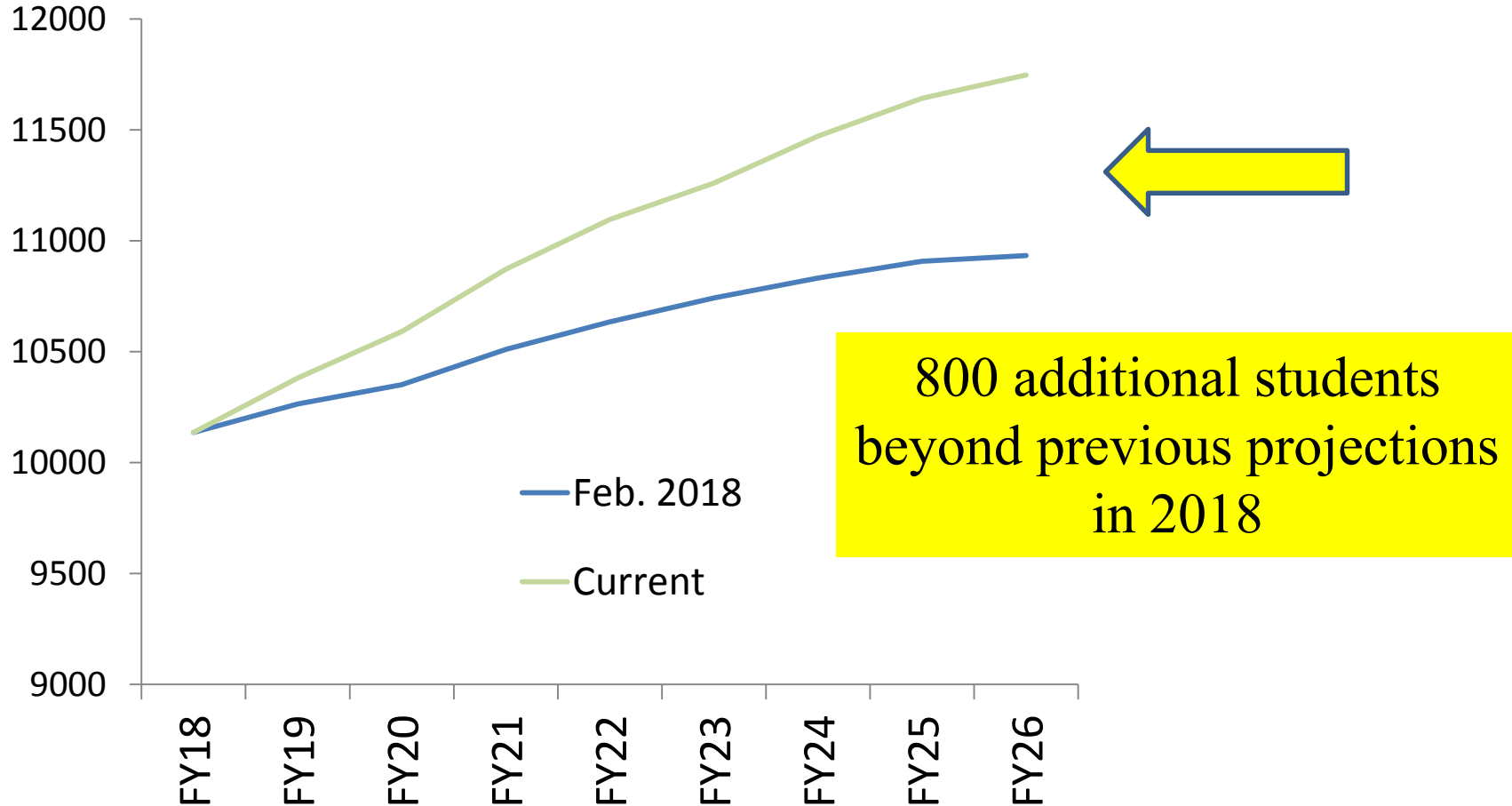
General Fund Operating Expenditures FY20 \$142,710,000



# Expenditures

- Total expenditures up \$0.2M
  - Increased projected staffing needs due to increased enrollment, but wages down \$0.3M in forecast due to more staff turnover in FY19 than anticipated.
  - Benefits increased by \$2.8M due to higher than anticipated health insurance renewal.
  - Other expenditures down \$2.3 due to Student Wellness & Success funding from the state (\$1.1M) combined with other miscellaneous items.

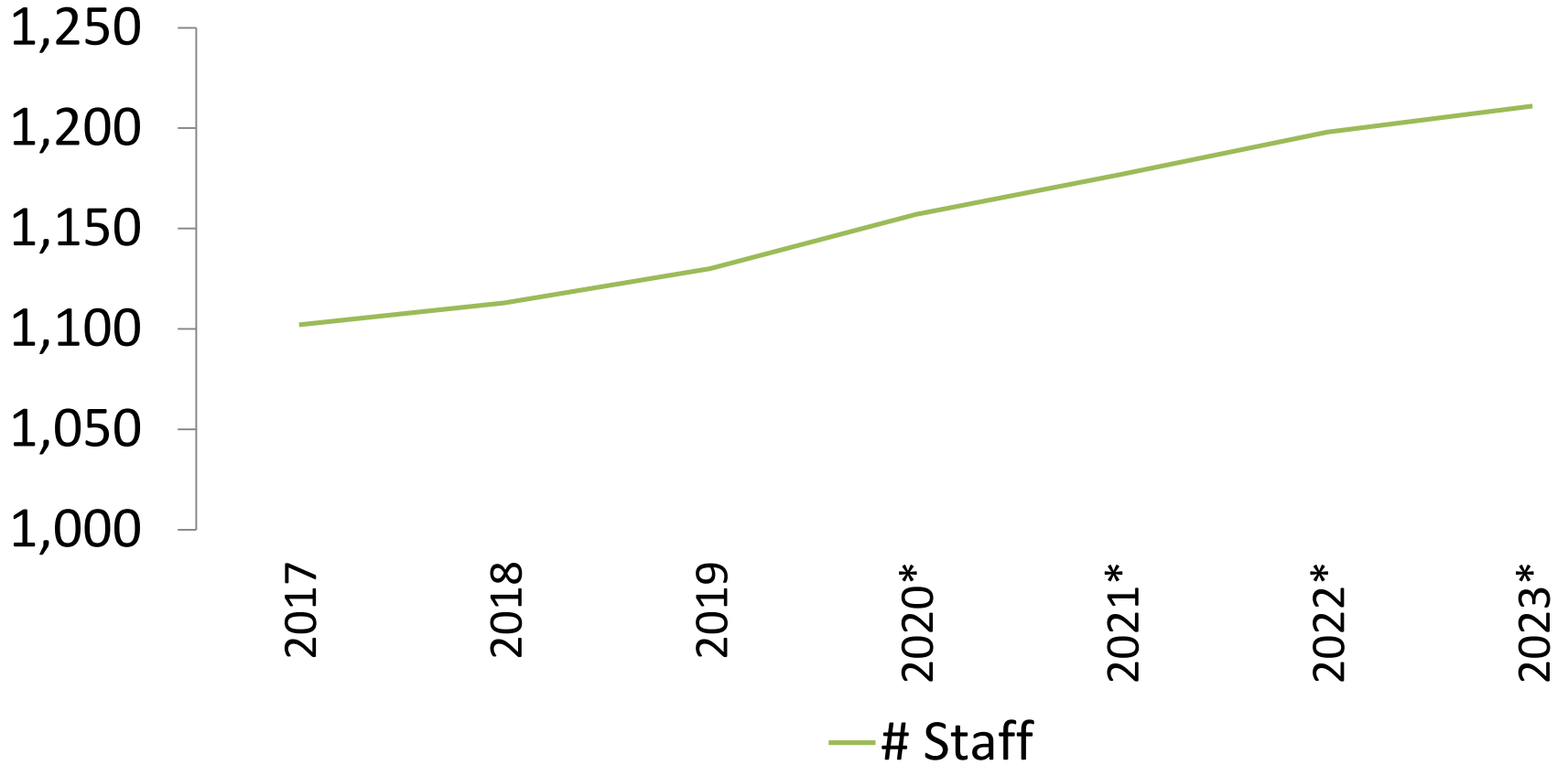
# Enrollment Projections



Current Enrollment FY20: 10,591 Projected Enrollment FY26: 11,747  
Causing pressure both on operations as well as capital projects

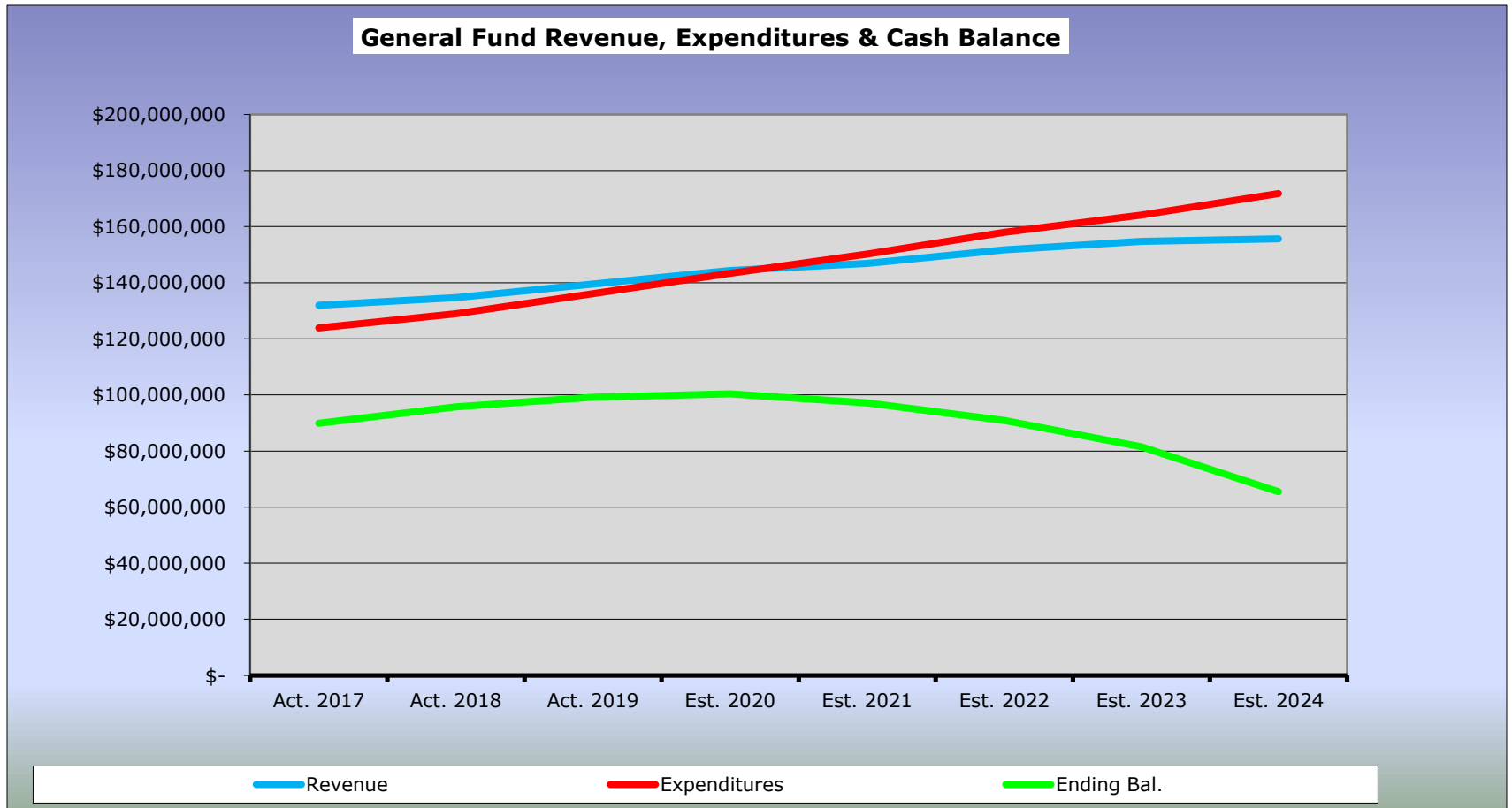


# Staffing Levels



95 additional staff projected to be added during FY20-FY24 due to increased enrollment

# Fund Balance



# Summary of Changes from May 2019

- **Total Revenue over the five year period increased \$2M**
- **Total Expenditures over the five year period increased \$.2M**
- **Cash balance at June 20, 2024 is now at \$65.4M, with unreserved fund balance of \$29.8M.**

# Risks to Forecast

- **State Budget**
  - Frozen funding this biennium, what about next?
- **Enrollment**
  - Growing at an increasing rate may need additional staff
- **Negotiations**
  - Estimating 2% wage growth and 5% insurance
- **Health Insurance**
  - Significant increase for 2020, what if experience continues?
- **National and Local Economy**
  - Longest economic expansion likely to end at some point in time

# Questions?



Worthington Middle School Projects	original master plan 2016			add capacity and renov		updated budget takeoff		Value Engr	
	Dec-18			Mar-19		Sep-19		Oct-19	
	Master Plan Proj Budget	Capacity	Original Renovation	Master Plan Proj Budget	SD Capacity	Master Plan Proj Budget	Capacity	Value Engineering	REVISED Estimate Oct2019
Worthingway Middle School	\$20,000,000	750	level3	\$20,497,750	750	\$22,876,189	750	-\$254,340	\$22,621,849
Perry / Phoenix Middle School	\$20,000,000	750	level3	\$22,849,190	865	\$26,658,588	865	-\$874,992	\$25,783,596
Kilbourne Middle School	\$2,500,000	600	0	\$2,742,740	600	\$4,331,137	600	-\$388,355	\$3,942,782
McCord Middle School	\$2,500,000	600	0	\$6,327,620	675	\$8,953,000	675	-\$676,842	\$8,276,158
	\$45,000,000	2700		\$52,417,300	2890	\$62,818,914	2890	-\$2,194,530	\$60,624,384
<b>PHASE DELTA</b>				<b>-\$7,417,300</b>	<b>190</b>	<b>-\$10,401,614</b>	<b>0</b>		<b>\$2,194,530</b>
<b>PROJECT DELTA</b>				<b>-\$7,417,300</b>		<b>-\$17,818,914</b>			<b>-\$15,624,384</b>

**COST OVRAGE CATEGORIES (estimated)**

Capacity (enrollment)	up to	7.4MM
Construction inflation	up to	6.0MM
Design Options (renovation scope)	up to	2.2MM

15.6MM