

Worthington City School District



General Fund

Five Year Forecast

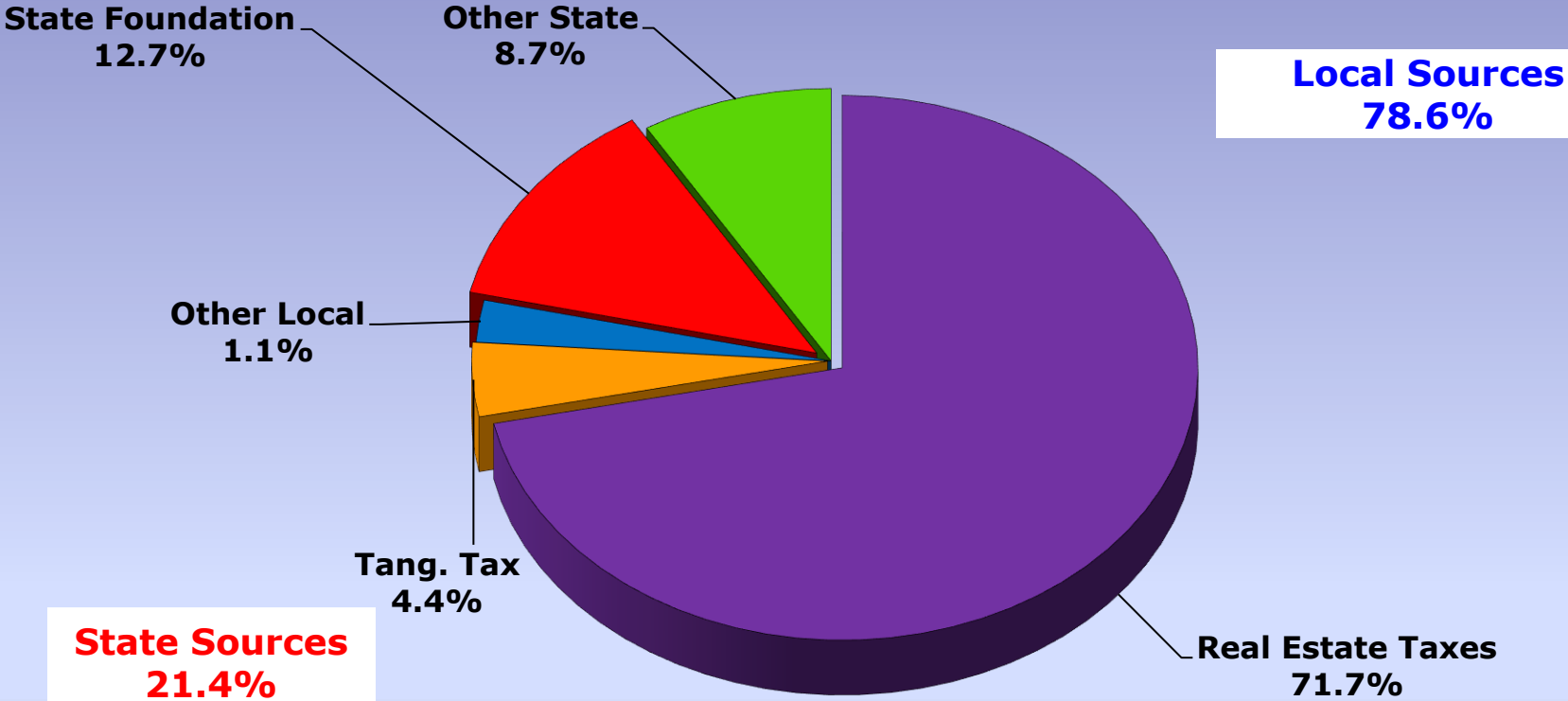
July 1, 2019 Through June 30, 2024

May 11, 2020

Presented By Jeff McCuen, CPA, Treasurer/CFO

Total Operating Revenues

General Fund Revenues Estimated 2020 \$137,974,000



Revenue

- Total revenues down \$28.3M
 - Decreased projected real estate tax by \$5.8M
 - Commercial value increase resulting in additional revenue \$4.2M
 - Eliminate advance due to delay in billing (\$5M)
 - Delay and reduce appraisal update (\$5M)
 - Decreased projected state aid by for FY20, FY21 and remains at lower amount through FY24 \$21.9M
 - Decreased interest revenue of \$0.6M

State Funding

- FY20 State budget decrease from the FY19 levels, combined with estimated decreases throughout the forecast increase our reliance on the cap.

	FY20	FY21	FY22	FY23	FY24
Capped Formula Aid	\$15.3	\$13.3	\$13.1	\$12.9	\$12.7
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)	(\$6.8)	(\$9.2)	(\$10.0)	(\$10.7)	(\$11.2)

Tuition

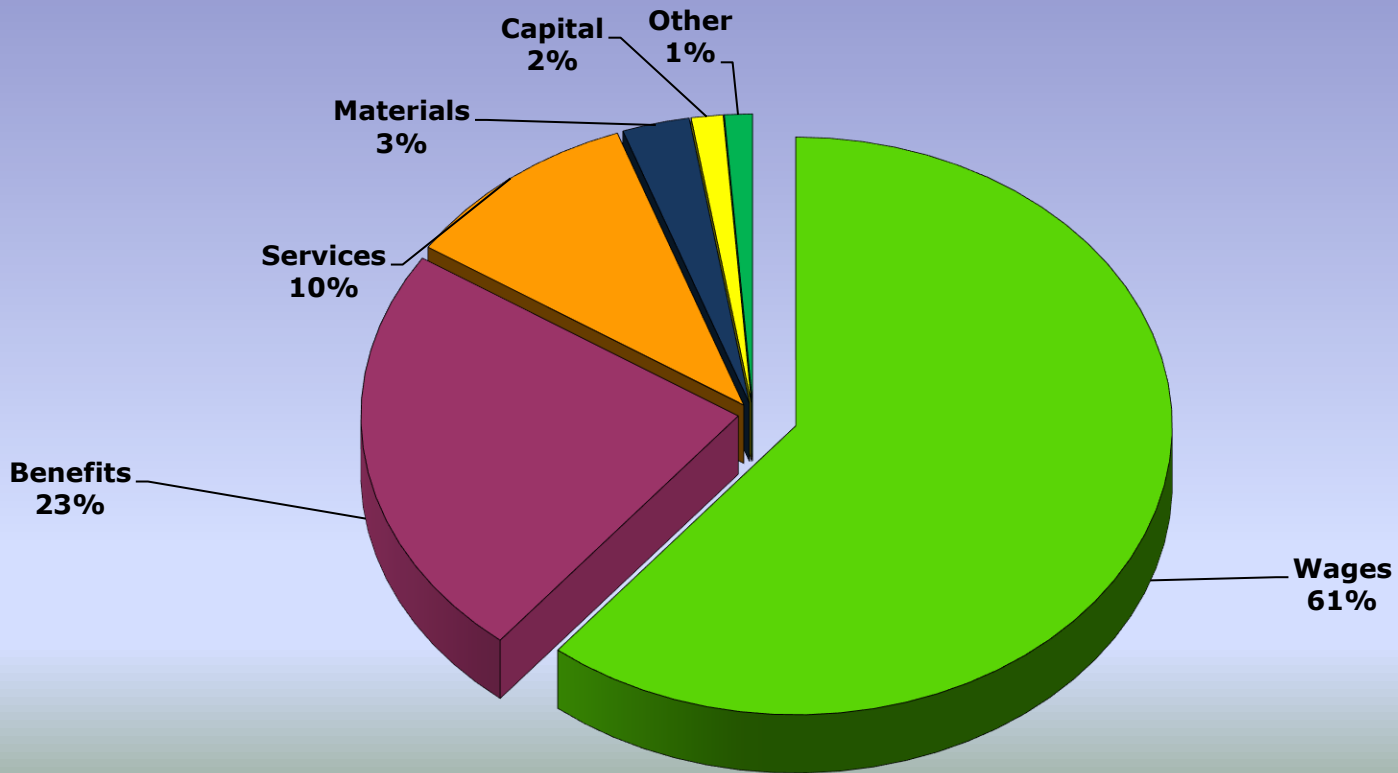
- Current funding formula includes all resident students to determine gross state aid, and applies indexes to determine net aid, but then deducts full gross amount for students attending community schools and other scholarship/choice programs

Source	FY20	FY21	FY22	FY23	FY24
Community School	\$1.4	\$1.4	\$1.4	\$1.4	\$1.5
Scholarships	<u>\$1.9</u>	<u>\$2.0</u>	<u>\$2.2</u>	<u>\$2.4</u>	<u>\$2.6</u>
Total	\$3.3	\$3.4	\$3.6	\$3.8	\$4.1
Community ADM	133	138	143	148	153
Scholarship ADM	<u>97</u>	<u>102</u>	<u>107</u>	<u>112</u>	<u>117</u>
Total ADM	230	240	250	260	270

- 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

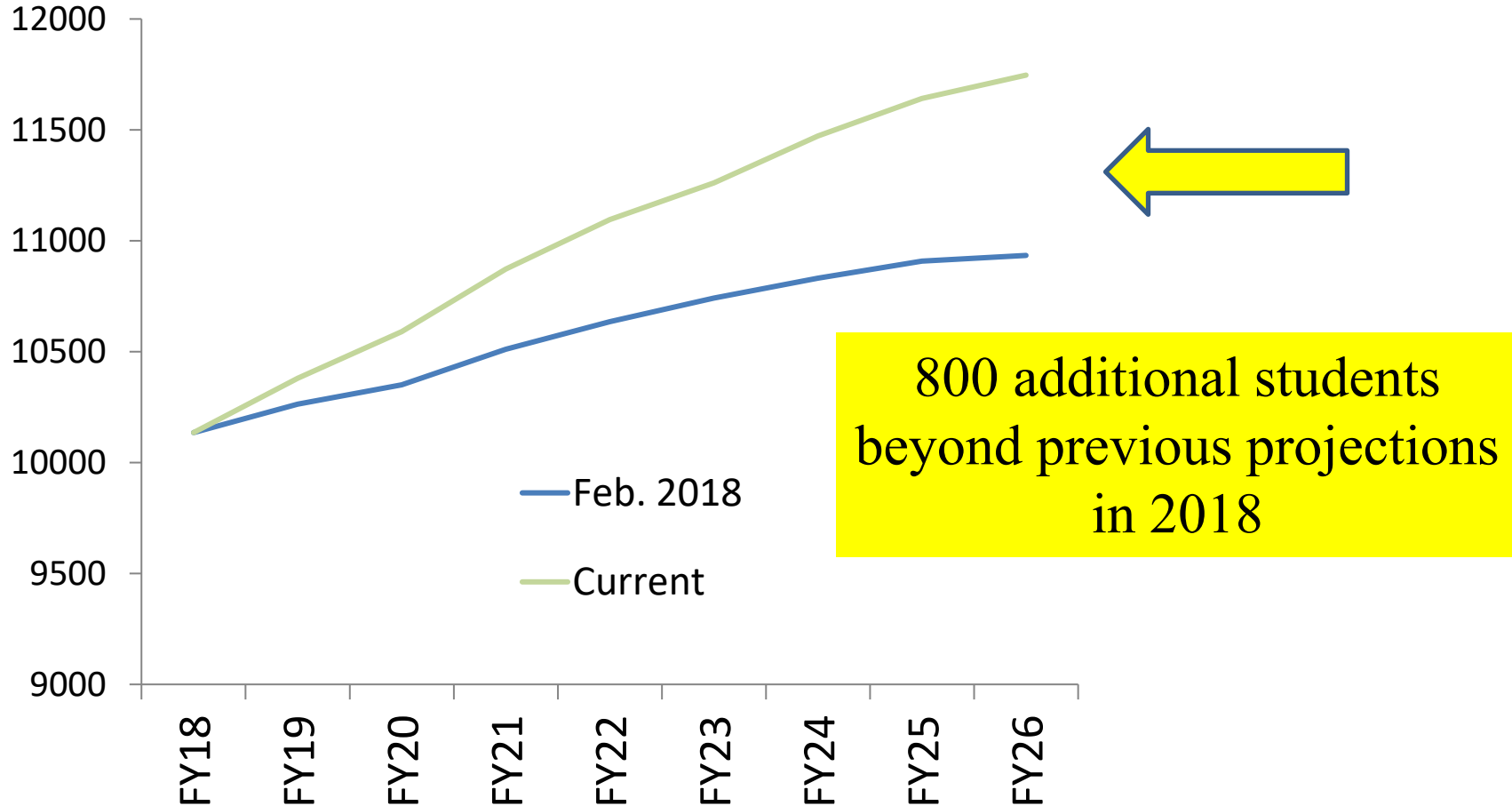
General Fund Operating Expenditures FY20 \$141,607,000



Expenditures

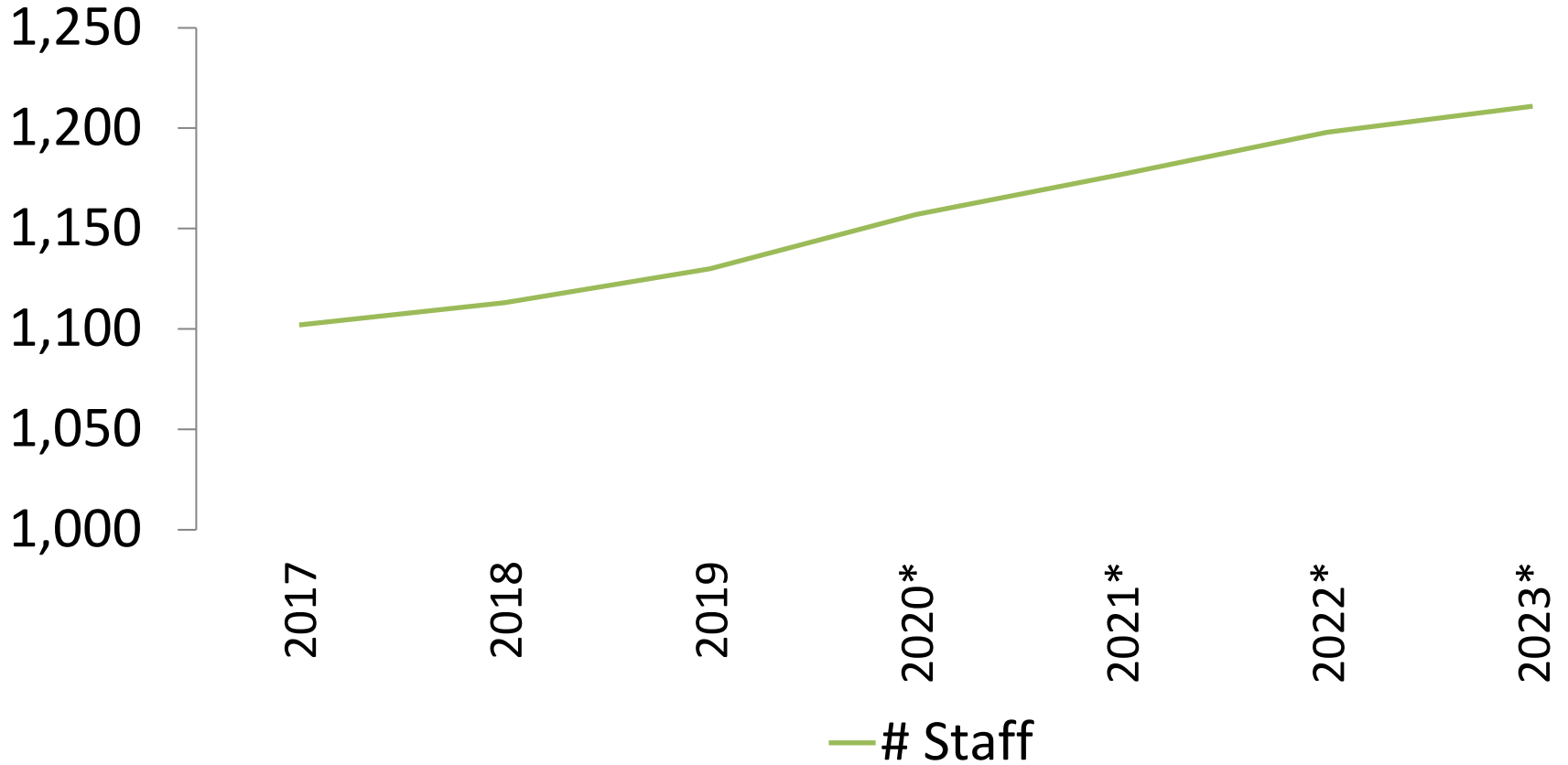
- Total expenditures up \$15.2M
 - Wages increased for new agreement \$2.4M
 - Benefits increase due to higher anticipated health insurance claims \$6.9M
 - Other expenditures increases for curriculum, special education and playgrounds \$2.4M
 - Other uses of funds increase for potential transfer to food service, all day kindergarten and other funds if necessary \$3.5M

Enrollment Projections



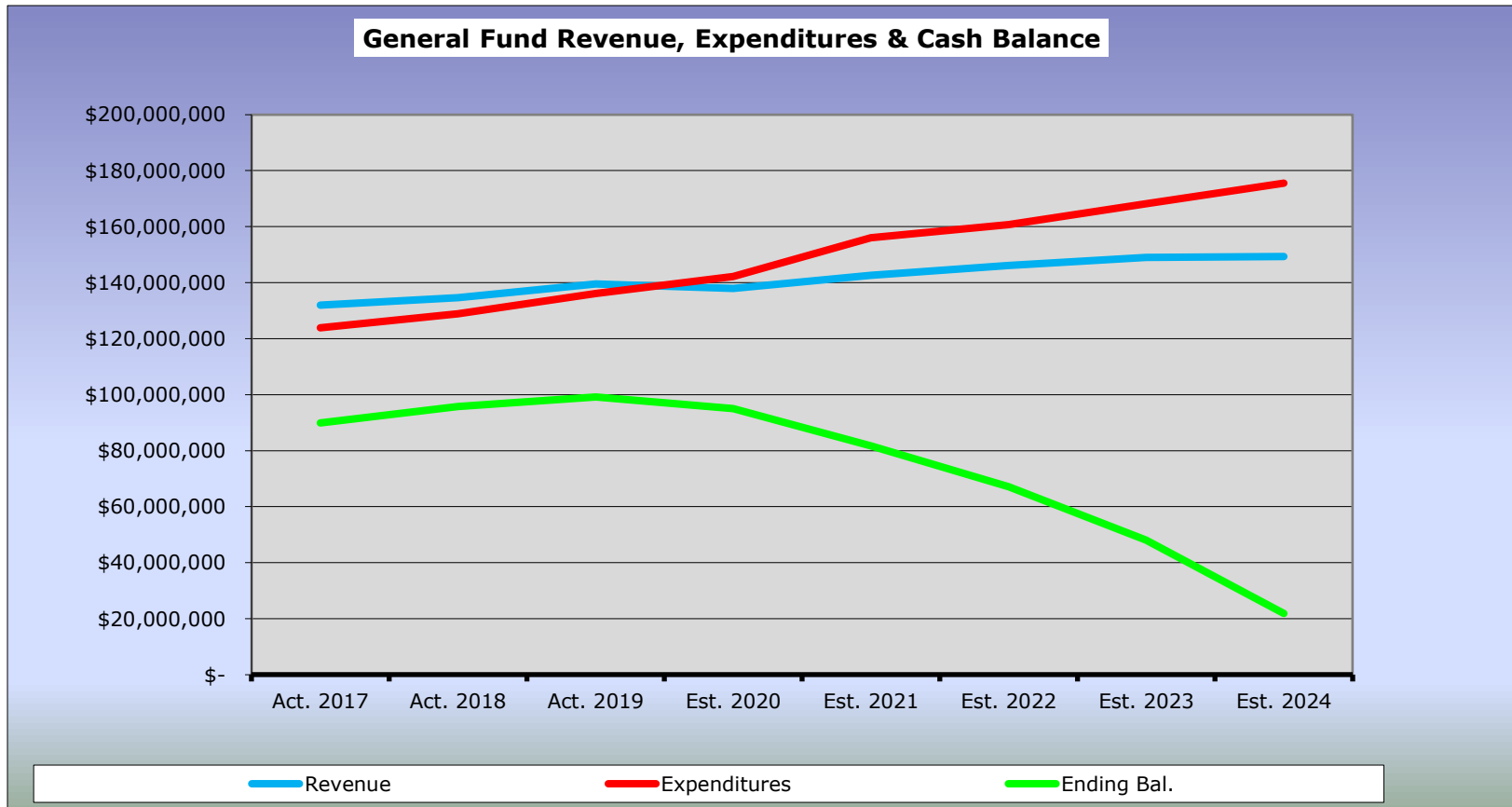
Current Enrollment FY20: 10,591 Projected Enrollment FY26: 11,747
Causing pressure both on operations as well as capital projects

Staffing Levels



69 additional staff projected to be added during FY21-FY24 due to increased enrollment

Fund Balance



Summary of Changes from October 2019

- **Total Revenue over the five year period decreased \$28.3M**
- **Total Expenditures over the five year period increased \$15.2M**
- **Cash balance at June 20, 2024 is now at \$21.8M, with deficit unreserved fund balance of (\$8.8M)**

Risks to Forecast

- **Property taxes**
 - Delinquencies
 - Further delay of update
- **State Budget**
 - Future decreases
- **Enrollment**
 - Growing at an increasing rate may need additional staff
- **Health Insurance**
 - Significant increase for 2020, what if experience continues?
- **National and Local Economy**
 - How long will the recession last?

Questions?

