APPROVED
NOVEMBER 4, 2020

COLUMBUS CITY SCHOOLS

FRANKLIN COUNTY, OHIO

ASSUMPTIONS AND NOTES

FIVE-YEAR FORECAST – November 2020

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE FISCAL YEARS ENDING JUNE 30
ACTUAL: 2018, 2019, 2020
FORECASTED: 2021, 2022, 2023, 2024, 2025

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November 4, 2020

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EXECUTIVE SUMMARY

Introduction (Ohio Department of Education)

A forecast is somewhat like a painting of the future based upon a snapshot of today. That snapshot, however, will be adjusted and the further into the future the forecast extends, the more likely it is that the projections will deviate from actual experience. A variety of 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 viewed as a key management tool and must be updated periodically. In Ohio, most school districts understand how they will manage their finances in the current year. The five-year forecast encourages 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 take place that will significantly change their forecast or, at a minimum, when required under 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 to the Financial Forecast* before drawing conclusions or using the data as a basis for other calculations. The assumptions are very important 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 or Board of Education (BOE) of the individual school district with any questions you may have. The Treasurer or CFO submits the forecast, but the BOE is recognized as ultimately responsible for the development of the forecast and the official owner.

Purposes/Objectives of the Five-Year Forecast (Ohio Department of Education)

Here are at least three 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 schools districts with potential financial problems

O.R.C. §5705.391 and O.A.C. 3301-92-04 require a Board of Education (BOE) to submit a five-year projection of operational revenues and expenditures along with assumptions to the Department of Education prior to October 31 of each fiscal year and to update this forecast between April 1 and May 31 of each fiscal year. ODE encourages school districts to update their forecast whenever events take place that will significantly change the forecast.

General Economic Conditions and Outlook

General economic conditions drive state and local tax revenues, which in turn impact school district finances. Local tax revenues are derived from property taxes, which tend to be a more stable source of income. Boards of education have the ability to levy additional taxes on real property upon a favorable vote of the residents of the district; anecdotally, voters tend to more be more likely to support imposing additional taxes upon themselves when the economy is good, and less so when economic conditions are poor. State revenue – which is typically distributed via a funding formula – is an amalgamation of various tax sources, though the primary drivers in Ohio are the sales and income taxes. These two sources in particular are often directly correlated with economic conditions (though specific policy decisions may also impact collections).

The advent of the COVID-19 crisis in March 2020 resulted in a decline in state revenues and a decline in economic activity during the waning days of FY 2020. The State reduced Foundation payments by $300 million for the last three payments for FY 2020, with an additional $55 million in reductions across other education line items; these reductions have been carried over into FY 2021. Fortunately, districts have been allocated funding through the federal CARES Act, which has helped to alleviate some of these reductions and additional costs associated with mitigating the pandemic in schools and districts.

According to the Ohio Office of Budget and Management (OBM):

> According to the Bureau of Economic Analysis (BEA)'s advanced estimate Real Gross Domestic Product (GDP) expanded in the third quarter of the calendar year at an annualized rate of 33.1 percent. This followed the 31.4 percent decrease in the second quarter. The historic third quarter increase reflected ongoing efforts to reopen businesses and resume activities that had been restricted while managing the effects of the COVID-19 Pandemic. While the BEA uses annualized rates to allow comparisons to previous years, that comparison was less useful for both the second and third quarter of 2020. In the third quarter of 2020, Real GDP declined 2.9 percent compared to the third quarter of 2019 (OBM, 2020).

Given the challenges of making comparisons using the BEA's data, OBM notes:

> Moody's Analytics and CNN created the Back-to-Normal Index to track the economic recovery. The national index combines 37 indicators of economic activity, including the 25 traditional economic indicators used in their High Frequency GDP model, with 12 real-time indicators. Each state index is composed of a weighted average of the national index and six state level indicators. Both indices range from zero, representing no economic activity, to 100 percent, indicating full economic recovery to pre-pandemic levels. As of November 4, 2020, the national index was at 80.0 percent, while Ohio's index was 5.7 percentage points ahead of the national average at 85.7 percent. Both indices increased substantially from their low points at the end of April; however, growth in recent months slowed and, in the last week, decreased. Despite the recent decrease, Ohio currently has the 5th highest ranking on this index among the states (OBM, 2020).

OBM indicates that the Ohio unemployment rate decreased to 8.4 percent in September, a 0.5 percentage point drop compared to the August rate. (OBM, 2020). OBM further notes that:

> the national unemployment rate declined to 6.9 percent in October, a 1.0 percentage point decline from September... However, despite declines for the past six months, compared to February the unemployment rate remained 3.5 percentage points higher and the number of unemployed persons remained 5.8 million higher (OBM, 2020).

According to the Ohio Legislative Service Commission (LSC), for FY 2021 through October, GRF tax revenue was $347 million above estimate. (LSC, 2020). Per LSC:

> Through the end of October, three of the four largest tax sources had positive performances. The sales and use tax, the PIT, and the cigarette tax were $267.9 million, $67.8 million, and $22.7 million above their respective estimates. However, the commercial activity tax (CAT) had a shortfall of $15.1 million due to poor tax payments in August tied to COVID-19-related measures in the spring quarter.2 Total revenues for the remaining GRF tax sources were $3.8 million above the combined estimate. The financial institutions tax (FIT), the foreign insurance tax, the alcoholic beverage tax, and the liquor gallonage tax were above their respective YTD revenue targets by $4.5 million, $4.2 million, $2.9 million, and $2.5 million. On the other hand, the kilowatt-hour tax, the natural gas consumption tax, and the petroleum activity tax experienced negative variances of $7.9 million, $3.1 million, and $1.0 million, respectively. (LSC, 2020).

Ohio’s strong performance on the Moody’s / CNN Back-to-Normal Index coupled with stronger-than-expected tax receipts provide some optimism during these challenging times. The pandemic continues unabated, however, and while recent news of several vaccines has provided what some leaders have referenced as “the light at the end of the tunnel,” it is still possible that additional health orders may be imposed, potentially derailing these gains. As observed in the May Notes, the speed and extent of any economic recovery and its impact on tax receipts and emergency funding will be key factors governing federal, state, and local resources available to the District in the years ahead. Furthermore, the manner and speed in which schools operate and the safeguards enacted will likely have an impact on District expenditures. These combined factors – and additional uncertainty created by the crisis – will likely continue to make for challenging times for schools in the months and years ahead.

Revenues, Expenditures and Ending Cash Balances

Updates from the May 2020 Forecast

This forecast includes updated data since the previous forecast (see also: Net Changes Since May 2020 Forecast):

1. End of Year (EOY) FY20 actual results.
    a. $9.9 million less in revenue
        i. $33,000 less in property taxes
        ii. $8.5 million less in state aid
        iii. $2.1 million less in property tax allocation (reimbursement from state)
        iv. $1.9 million more other revenues (primarily investment income and PILOTs)
        v. $1.0 million less in all other revenue sources ($900,000 related to transfers- and advances-in; $256,000 in delayed federal reimbursement of QSCB interest)
    b. $24.4 million less in expenditures
        i. $12.1 million less in personnel – recoding $11.8 million to the SWSF.
        ii. $9.9 million less in purchased services – expenditures running under budget (professional technical services, property services, and utilities), and reduction in charter schools deduction as part of overall K-12 state aid reduction in response to COVID-19 pandemic.
        iii. $2.2 million less in supplies and materials - expenditures running under budget
        iv. $2.2 million less in dues and fees – fees related to delayed property tax settlement
        v. $2 million more in other financing uses - advances higher than expected; unplanned transfer to LatchKey fund
    c. $14.5 million increase in ending cash balance to $285.4 million from $270.9 million
2. FY21 – FY24 (total changes over the four-year period)
    a. Property tax related revenues increased $15.1 million
        i. Total property taxes increased based on estimates for reappraisal/update years and off years' new growth
            1. Property taxes increased $21 million
            2. Property tax allocation from state reduced $5.9 million
        ii. Adjustments for 1st/2nd half calendar year collection allocations
    b. State aid reduced $36.8 million
        i. May FYF did not reflect the COVID-19 reduction in FY19 that carried forward into FY20. FYF assumes reduced level of state aid continues for life of FYF.
        ii. $2.5 million in casino revenue sharing reduced in FY21 but restored in FY22 and thereafter reflecting the short-term closure of casinos.
    c. Other revenues increased $18.1 million
        i. $7.15 million in City of Columbus CARES Act revenue sharing
        ii. Investment income estimates increase approximately $2 million each year.
    d. Personnel reduced a total of $49 million
        i. Recoding of $16.8 million expenditures to the SWSF from the General fund

   ii. Assume SWSF funding will continue and if not, any change in funding requiring expenditures to return to the General Fund will be offset by a like increase in state aid.

e. Non-personnel increased a total of $100 million
   i. FY21-FY24 budget data; unadjusted for historical under budget spending experience
   ii. $7.15 million in FY21 for computer purchases related City of Columbus CARES Act revenue sharing.

f. FY24 ending cash balance deteriorated $33.8 million[1] to a $12 million from $46 million in May 2020 FYF.

Revenues

With FY20 now closed, actual revenue experience was used to adjust estimates for future years. 1st half/2nd half splits for calendar year property tax collections along with the changes in the projected proportion to be received from the state (rollback) drive not only annual calendar year estimates but alter the estimated collections by fiscal year as well. Projections for other local receipts such as investment income and PILOTs are also derived in part from experience and well as expectations for available balances, interest rates, and volume of property valuation complaints. Past data is a poor indicator of future revenue when it comes to funding from the State as those revenues are almost totally driven by the specifics in the state's biennial budget legislation. Additionally, that funding is only a known factor for two fiscal years leaving the level of future funding highly unknown. All other revenue sources generally represent an exceedingly small portion of overall revenues and are estimated at an average of past revenues or are from a specific, known source and schedule, e.g. debt service.

Expenditures

Personnel expenditures are based in part on historical trends (especially for health care costs), staffing plans, and collective bargaining (union) and other labor association agreements. Non-personnel expenditures are the result of the district's program-driven budget process. Prepared almost exclusively within the functionality of the district's ERP system, the budget document is the result of several months of work by staff developing plans and identifying needs not only for the upcoming fiscal year but for four more years beyond that for a total of five fiscal years. By utilizing the ERP system to prepare a long term budget, data is maintained for use during future budget preparation cycles allowing for more quickly identifying changes or updates rather than reinventing the budget wheel altogether each year.

Risks

The forecast is subject to many risks inherent in any projection into the future. Significant among those include:

- Ohio economy – statewide as well as Central-Ohio specifically. Changes in the economic vitality and functioning within the state can affect income levels, tax collections, and property values having an impact on the district's ability to remain fiscally sound. The COVID-19 national

[1] FY20 actual cash balance increase of $14.5 million plus FY21-FY24 revenue estimate increase of $3.4 million and expenditure estimate increase of $51.7 million.

pandemic is a prime example of an event risk outside the district's control having a material impact on operations, revenues, and expenditures.

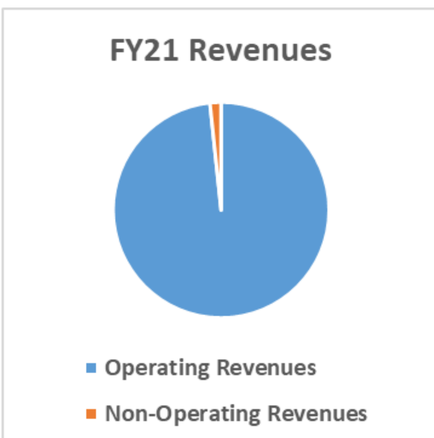
- State budget – completed on a biennial cycle, the state budget sets the level of state funding for the district. The second largest revenue source (36% of total revenues), state funding is only known for two years until discussions on the next state budget begin. Forecasting what the state legislature might do related to K-12 education funding is more of an art, perhaps guess, than a science. Unlike the district's largest revenue source, property taxes, state funding cannot simply be trended forward as changes to the state funding mechanism are the subject of legislative deliberations the inner workings of which are difficult, if not impossible, to predict. Currently, a new funding formula is under consideration in the state legislature and it is unknown if or when the new funding mechanism would be in place and, most importantly, whether the formula will be fully funded by the state legislature.
- Labor agreements – Agreements with the district's unions and associations are in place through FY22. For the remaining years of the forecast, FY23 – FY25, a 1% increase in base cost for all employees is included as a placeholder. The actual cost of wage increases in the latter years of the forecast is subject to negotiations and discussions with those employee groups.
- COVID-19 Crisis – A reduction in state aid of $9.2 million in FY20 carried forward into FY21, however, no additional reduction is expected or contemplated within this forecast. This reduced level of state aid is assumed to continue for the balance of the forecast. As best as can be determined, collection of local property taxes, while delayed about one month, were not impacted by the pandemic. The district's response to the crisis includes redesigning building layout to provide protection and achieve physical distancing (installation of barriers, moving and/or removing furniture), and the purchase of PPE and an array of sanitizing supplies and equipment. The district has access to over $30 million in new federal funding to aid in covering those costs.

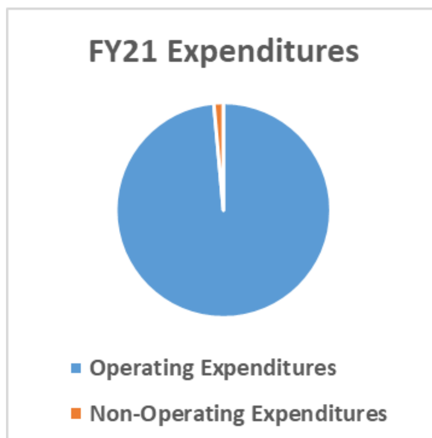
Ending Cash Balances

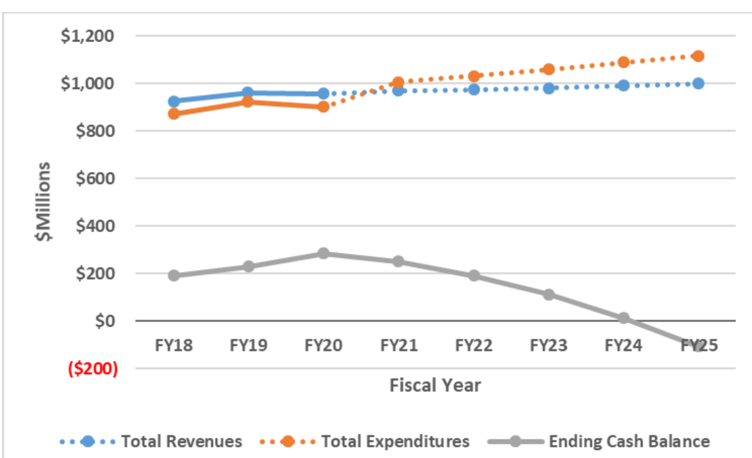
Total revenues in this forecast are projected to increase at the rate of 0.9% annually from $954 million in FY20 to $998 million in FY25. Total expenditures are projected to increase at the rate of 4.4% from $898 million in FY20 to $1.12 billion in FY25. Expenditures are projected to exceed revenues beginning in FY21; a trend expected to continue for the duration of the FYF driving the June 30 fiscal year ending cash balance from a positive $285.4 million at the end of FY20 down to a deficit of $106 million at the end of FY25. "Days Cash on Hand", a leading indicator of financial distress, drops from 116 days at the end of FY20 to a negative 35 days at the end of FY25. The steady decline in "Days Cash on Hand" is an indication that fiscal action is called for to reverse the deficit spending. As can be seen in the graph on page 39, 30 days' cash is not an early enough indicator[2] of financial distress which is why there has been some discussion or a 60 or 90-day target based on best practice discussion at the GFOA.

[2] The deficit occurs in the next year and the district needs more time than just one year to address the deficit through an increase in revenue (new tax levy) or reduction in expenditures.

	ACTUAL			*PROJECTED*				
$Millions	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Total Revenues	$925.1	$959.2	$954.4	$969.9	$972.9	$979.3	$990.3	$998.0
Operating Revenues	$911.8	$945.2	$939.4	$953.8	$958.6	$965.0	$976.0	$986.6
Non-Operating Revenues	$13.3	$14.0	$15.0	$16.1	$14.3	$14.3	$14.3	$11.4
Total Expenditures	$871.4	$920.9	$898.4	$1,005.2	$1,031.9	$1,059.2	$1,089.2	$1,116.3
Operating Expenditures	$861.1	$873.7	$882.1	$990.9	$1,017.6	$1,044.9	$1,074.9	$1,104.9
Non-Operating Expenditures	$10.3	$47.2	$16.3	$14.3	$14.3	$14.3	$14.3	$11.4
Revenues Over (Under) Expenditures	$53.7	$38.3	$55.9	($35.3)	($59.0)	($79.9)	($98.9)	($118.3)
Ending Cash Balance	$191.1	$229.4	$285.4	$250.1	$191.1	$111.2	$12.3	($106.0)
Days cash on hand	80	91	116	91	68	38	4	(35)







REVENUES

Overview

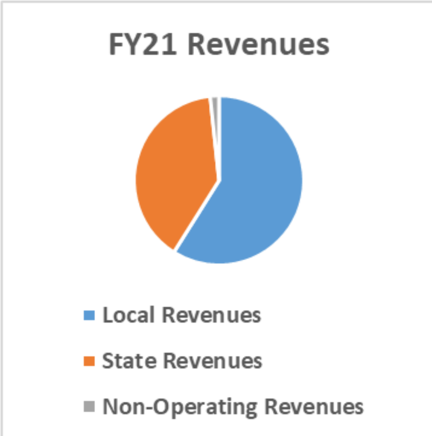
Local revenues (e.g. property taxes, tuition, fees, investment earnings, rentals, and donations) are projected to increase at the rate of 1.6% annually to $599.9 million in FY25 from $551.1 million in FY20. Property taxes, 93% of local revenues, increase at a projected rate of 1.8% annually from FY20 to FY25. Other local revenues are projected to level off at $31.7 million during the forecast period largely due to the phase-out of Win-Win payments from other districts.

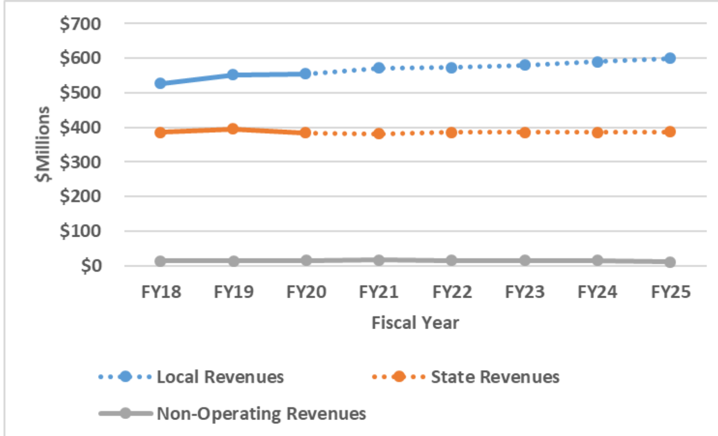
State revenues (e.g. State Foundation Program, rollback and homestead exemption reimbursement, and personal property tax reimbursement) are projected to increase just 0.1% during the forecast period. This is due to the State Foundation Program being funded in the two-year state biennial budget[3] at FY2018-19 levels and the $9.2 million COVID-19 related reduction in late FY20 which carried forward into FY21. New (or additional) funding from the state came in the form of separate funding referred to as "Student Wellness and Success Funds" (SWSF), is recorded in Fund 467 (not the General Fund), and will not be included in the five-year forecast document. These funds are to be used for one or more of eleven (11) initiatives outlined in ORC 3317.26(B). See Student Wellness and Success Funding Information for Districts on the Ohio Department of Education's website for more information. The district received $11.8 million in FY20 and expects to receive $16.8 million in FY21. The state property tax allocation is anticipated to grow at an annual rate of 1.9% over FY20 levels but represents just 9% of funding received from the state. However, this allocation is actually a part of overall property taxes and is calculated as such. Changes in the estimates for the property taxes (and how much is to be received through the state) impact this revenue line. The reimbursement for the loss of personal property taxes came to an end in FY19.

Non-operating revenues ("Other Financing Sources" in the Five-Year Forecast and comprised of transfers-in, advances-in and other financing sources) are projected to decline slightly to $11.4 million in FY25 from $15 million in FY20 due to the retirement of certain debt obligations that are reported within the forecast.

	ACTUAL			*PROJECTED*				
$Millions	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Total Revenues	$925.1	$959.2	$954.4	$969.9	$972.9	$979.3	$990.3	$998.0
Local Revenues	$526.6	$551.1	$555.1	$571.6	$573.2	$579.6	$590.0	$599.9
State Revenues	$385.1	$394.1	$384.3	$382.2	$385.4	$385.4	$386.0	$386.7
Non-Operating Revenues	$13.3	$14.0	$15.0	$16.1	$14.3	$14.3	$14.3	$11.4

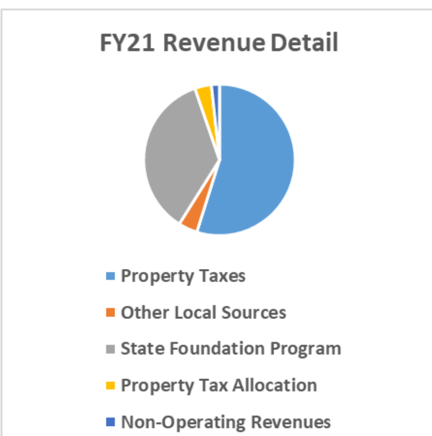
[3] For fiscal years 2019-20 and 2020-21.

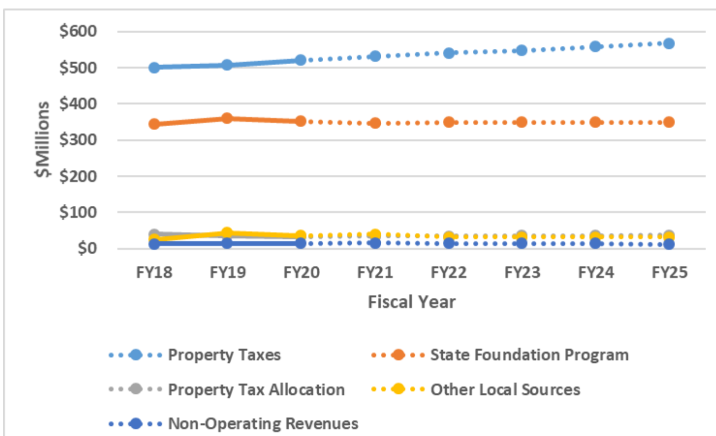




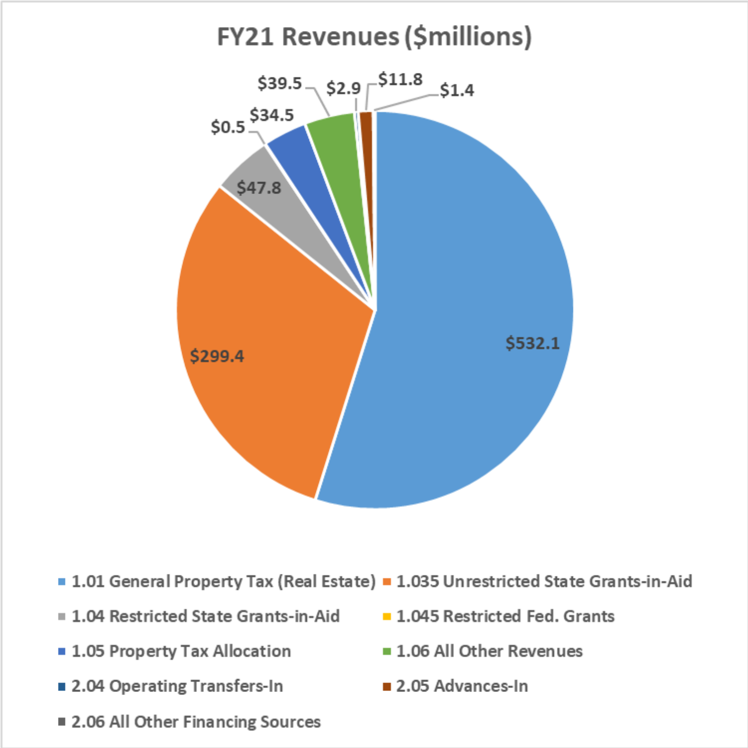
Revenue Details

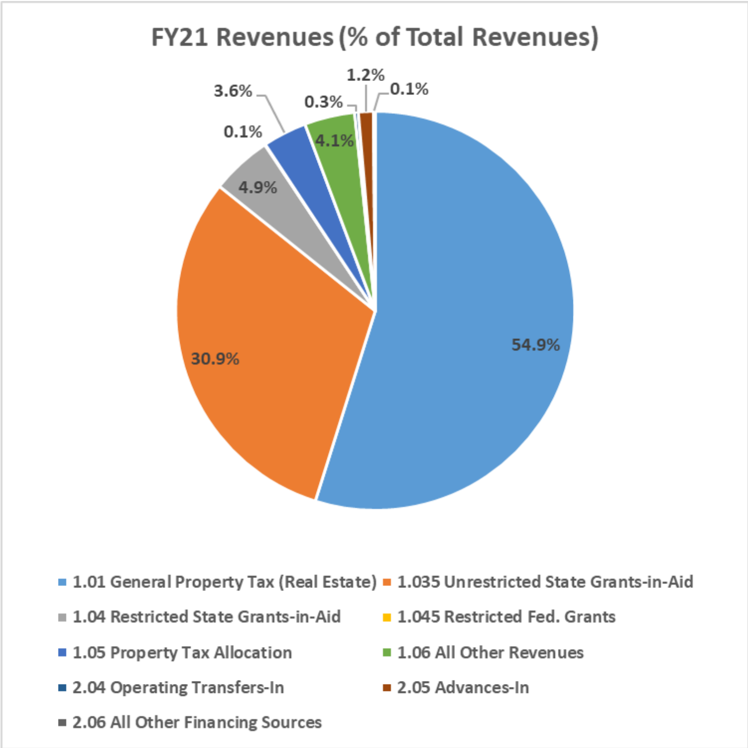
	ACTUAL			*PROJECTED*				
$Millions	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Property Taxes	$500.9	$507.0	$519.2	$532.1	$541.5	$547.9	$558.3	$568.2
Other Local Sources	$25.7	$44.1	$36.0	$39.5	$31.7	$31.7	$31.7	$31.7
Total Local Revenues	$526.6	$551.1	$555.1	$571.6	$573.2	$579.6	$590.0	$599.9
State Foundation Program	$344.6	$359.3	$350.4	$347.2	$349.7	$349.7	$349.7	$349.7
Property Tax Allocation	$40.1	$34.3	$33.7	$34.5	$35.2	$35.7	$36.3	$37.0
Total State Revenues	$384.7	$393.6	$384.0	$381.7	$384.9	$385.4	$386.0	$386.7
Non-Operating Revenues	$13.8	$14.5	$15.2	$16.6	$14.8	$14.3	$14.3	$11.4
Total Revenues	$925.1	$959.2	$954.4	$969.9	$972.9	$979.3	$990.3	$998.0





FYF Line Breakdown

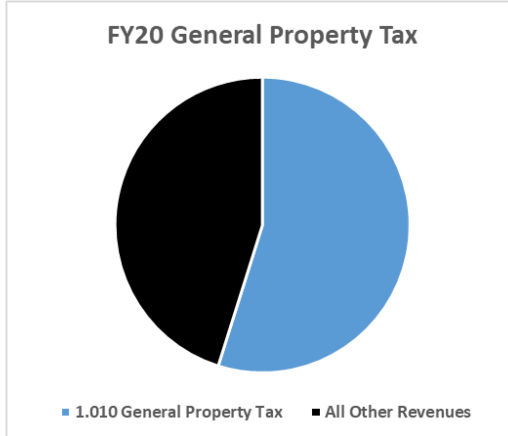


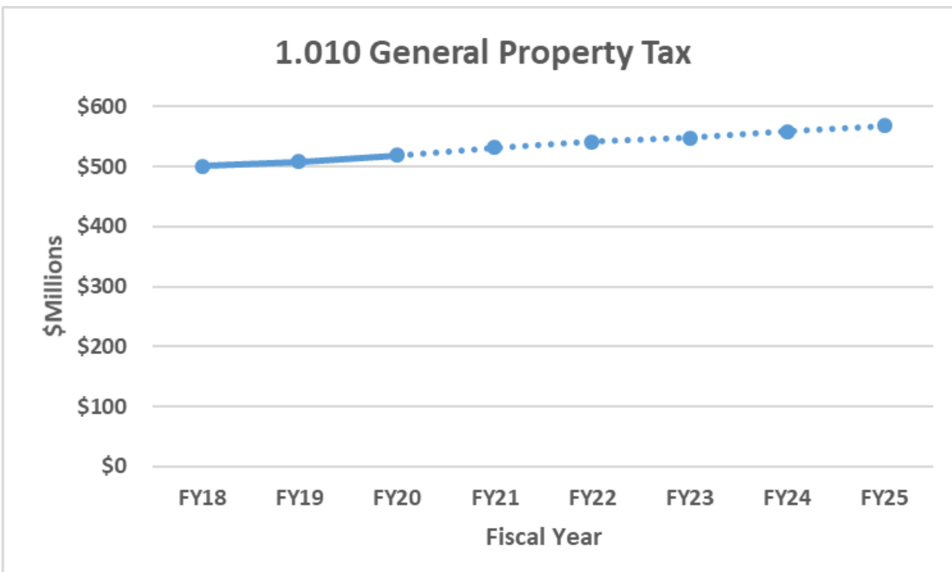


1.010 General Property Tax (Real Estate)

Taxes levied by a school district by the assessed valuation of real property located within the school district.

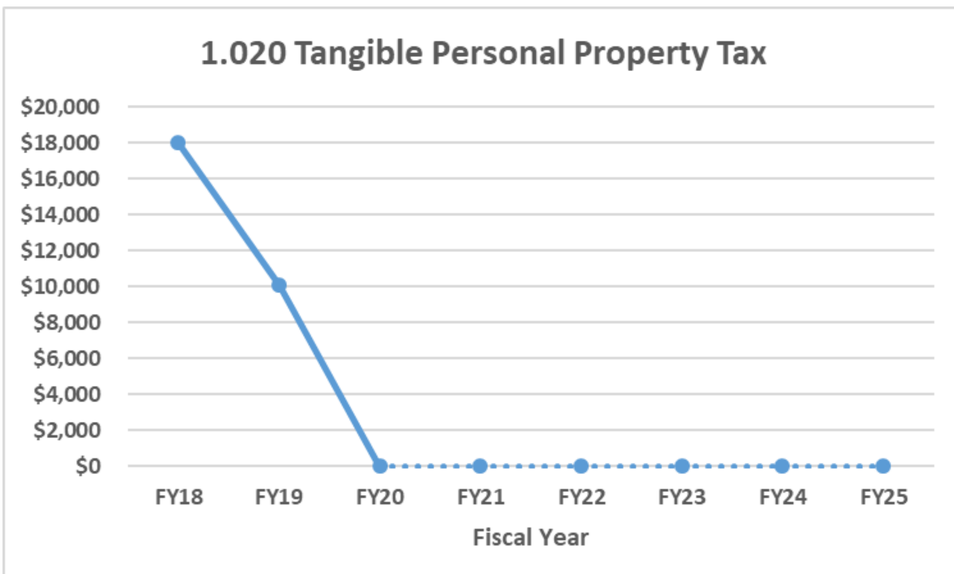
Representing 55% of all revenues, general property taxes benefited beginning in FY17 from the November 2016 passage of a 5.58 mill continuous operating levy. First collected in calendar 2017, FY18 is the first fiscal year which reflects a full year of collection with the new millage. From FY20, property taxes are projected to grow at a rate of 1.8% annually during the forecast period; to $568 million in FY25 from $519 million in FY20. No new, additional tax levy is contemplated in this forecast.



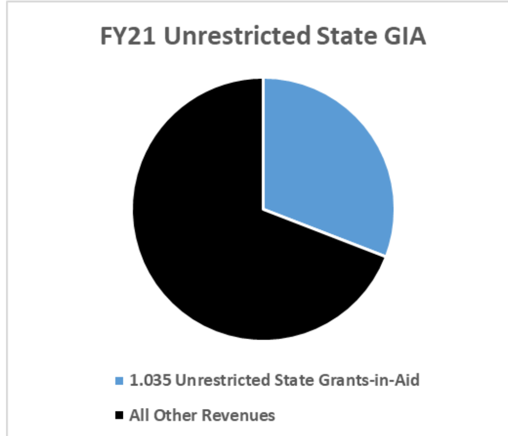


1.020 Tangible Personal Property

Businesses pay the 'tangible personal property tax' on equipment or supplies/materials of which they own. This tax has been phased out and is being replaced with the Commercial Activities Tax (CAT). The last year for revenue in this category was FY19. Reimbursement from the state for this loss is included in line 1.050 Property Tax Allocation and it, too, is being phased out.



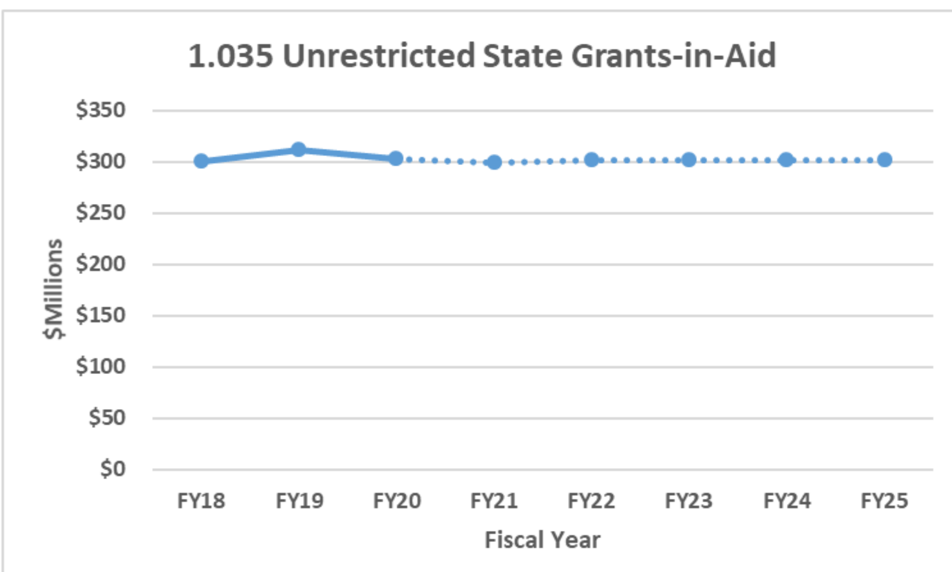
1.035 Unrestricted State Grants-in-Aid



Funds received through the State Foundation Program with no restriction. The foundation formula is the primary vehicle which the Ohio legislature uses to determine how much state aid each school district is to receive. Because the split between this line and line 1.04 is in part an accounting convention, the district typically tracks the two lines as one. This revenue line represents 31% of all revenues and 78% of all revenues received from the state and is projected to grow at the rate of 0% annually.

Through FY19 a funding formula existed, however, beginning in FY20 State Aid was frozen at FY19 levels with no formula, per se, in place. This funding level was anticipated to continue through the full term of the current state biennium, FY20 and FY21, however, late in FY20 in response to a decline in the state's revenue resulting from COVID-19 related shutdowns and other measures, the state reduced the district's aid by $9.2 million. This reduction continued for FY21 and this forecast assumes the current level of funding will continue through FY25.

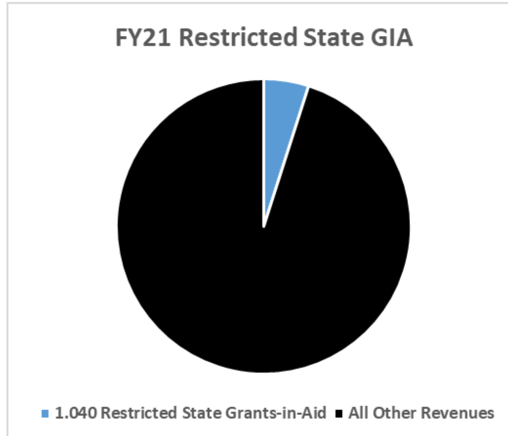
Beginning with FY20, "new" money from the state was provided in the form of funds earmarked for student wellness and success activities and is recorded in a separate fund, Fund 467, which is not included in this forecast. The district received $11.8 million in FY20 and expects to receive $16.8 million in FY21. Since the "new" funds will be tracked through a fund other than the General Fund and since the district is permitted to use current expenditures to meet the spending requirements of the new funding, a like amount of expenditures has been moved (recoded) in this forecast from the General Fund to Fund 467. The only adjustment in this line related to the COVID-19 crisis is the elimination of $2.5 million of casino revenue in FY21.

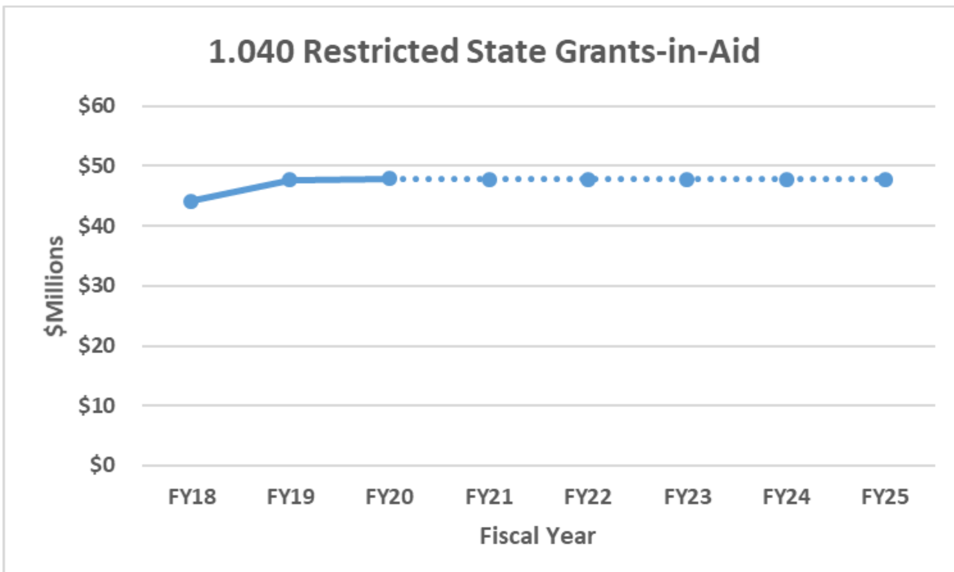


1.040 Restricted State Grants-in-Aid

Funds received through the State Foundation Program or other allocations that are restricted for specific purposes. Examples include economic disadvantaged and career-technical funding.

These funds are 5% of all revenues and 13% of state revenues and projected to grow at the rate of 0% annually identical to line 1.035. The explanation for this line is, in large part, cover in the discussion of line 1.035. .

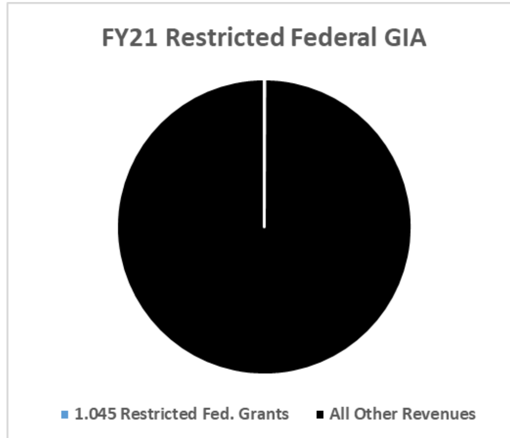


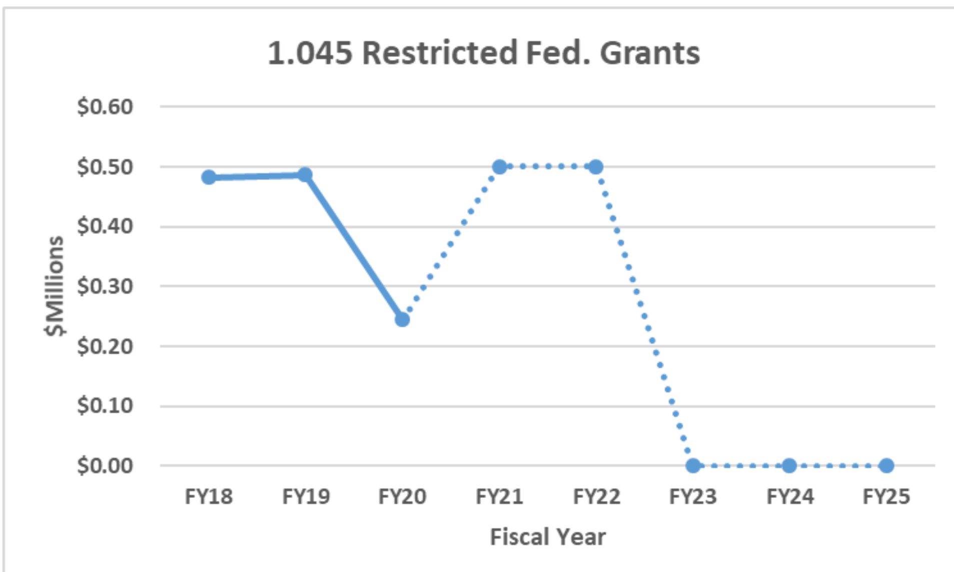


1.045 Restricted Federal Grants

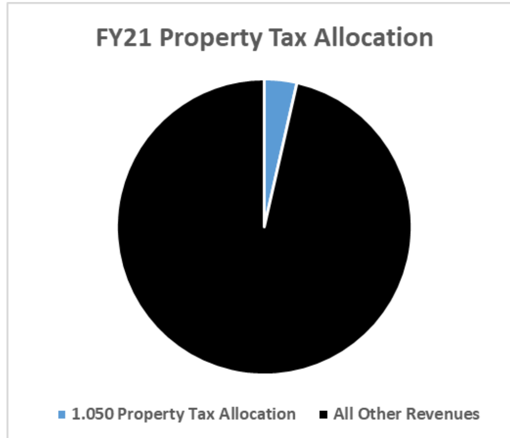
Funds received through the State Foundation Program or other allocations that are restricted for specific purposes. Examples include the Education Jobs fund.

For CCS, this is the QSCB interest rebate from the Federal government and is a very small portion of overall revenues. This subsidy ends during FY23 when the bonds are fully retired.





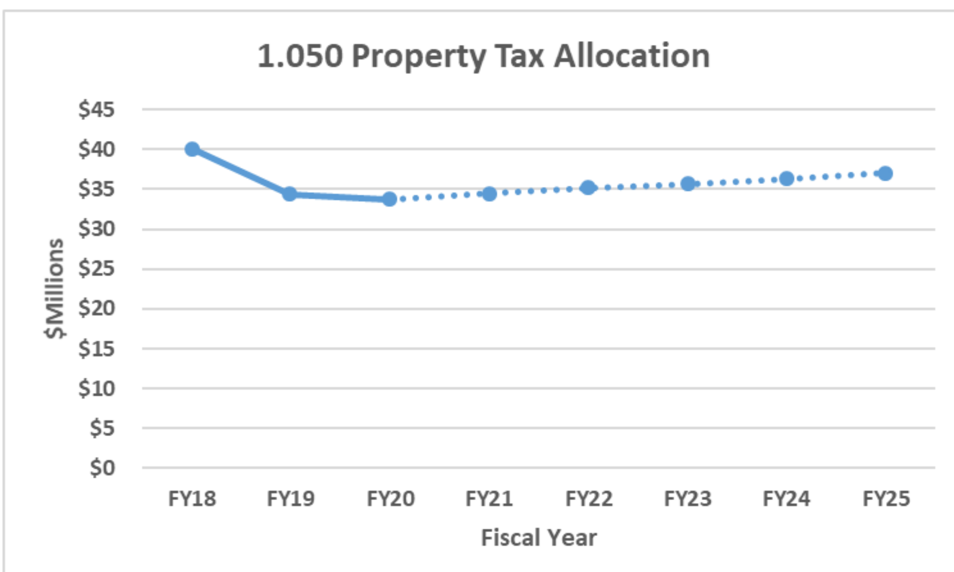
1.050 Property Tax Allocation



This line includes state funds received for Tangible Personal Property Tax (TPP) Reimbursement (as discussed above), Electric Deregulation, Homestead and Rollback, and the "ten thousand dollar exemption" where businesses are exempt from paying the first $10,000 of property tax and the district is reimbursed through state funding.

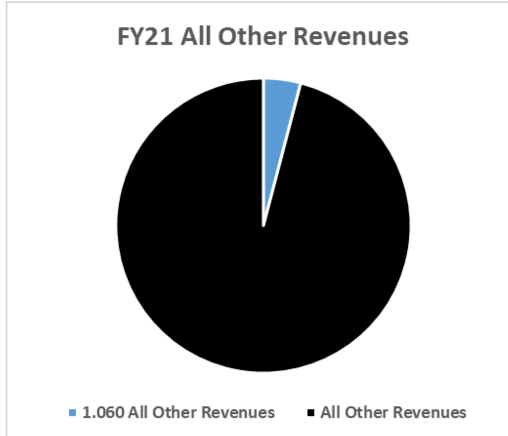
TPP reimbursement is estimated at $0.3 million in FY19 and then is totally phased out beginning in FY20.

This revenue source is 3.6% of total revenues and 9.0% of funds received from the state. The 10.5% Rollback provision was repealed in 2013 (HB59) and as a result all tax levies approved by voters beginning in 2014 are not subject to the rollback, saving the state money but passing that cost on to local taxpayers. The November 2016, 5.58 mills is therefore not subject to the rollback and local taxpayers bear the full cost of that levy. Rollback is generally forecasted as a percentage of total estimate Residential (R1) tax collections with an adjustment for levies not subject to the rollback. Some adjustment in the forecast has been made to reflect past forecasting performance, therefore, this source shows a slightly higher growth rate[4] than the corresponding property tax revenue line.

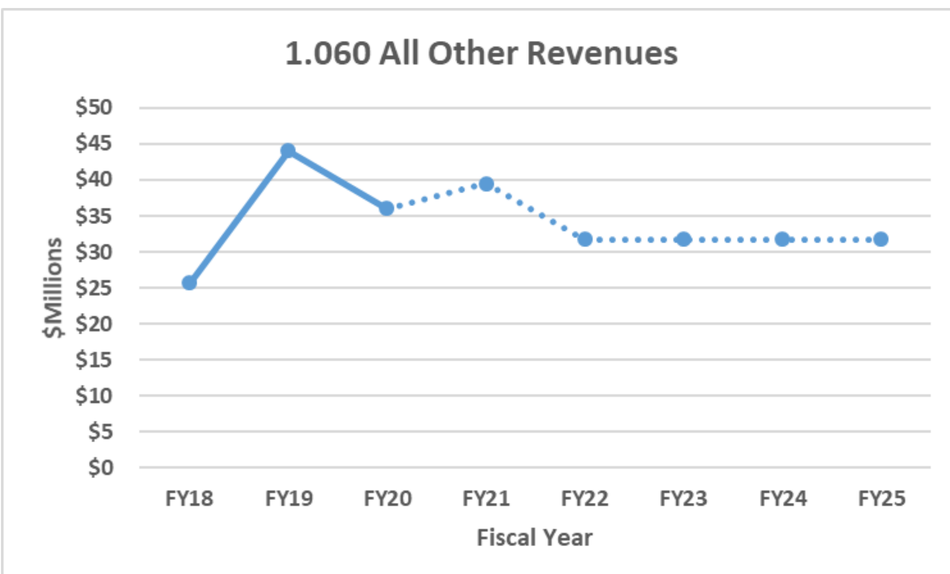


[4] 1.9% annually from FY20 to FY25 vs. 1.8% for General Property Tax.

1.060 All Other Operating Revenues



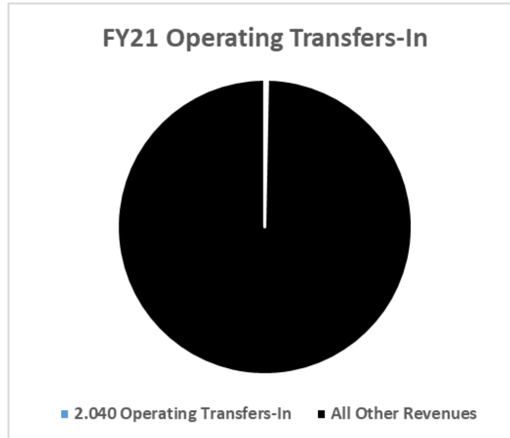
Operating revenue sources not included above. Examples include but are not limited to tuition, fees, investment income, rentals, and donations. Significant items included here as well are payments in lieu of taxes (PILOTs), Win-Win payments and Medicaid reimbursement. PILOTs are difficult to predict as they depend on cases before the Board of Revision and/or Board of Tax Appeals and any out-of-court settlements we may reach. Based on experience, the estimate for PILOTs is held flat at $10 million annually. This line also includes income tax revenue sharing from the City of Columbus resulting from various CRAs and/or TIFs and is estimated at $800,000 per year, down from $2 million in prior forecasts. Win-Win payments are projected to decline over time (80%, 60%, 40%, 20%, 0% of the calculated amount for FY18-FY22) until completely eliminated for FY22. Medicaid reimbursement is projected at $3.6 million per year just under the 3-year average of $4.9 million for the 3 years FY19-FY20 as payments for prior years' activity have recently become more current resulting in multiple payments being received during the same fiscal year distorting the average. The spike in FY19 is primarily due to PILOTs and investment income and is the basis for increasing the estimates for several items within this revenue line. The spike in FY21 reflects the $7.15 million from the City of Columbus[5] for the purchase of computers. This line represents 4.1% of total revenues in FY21 and 3.3% going forward.

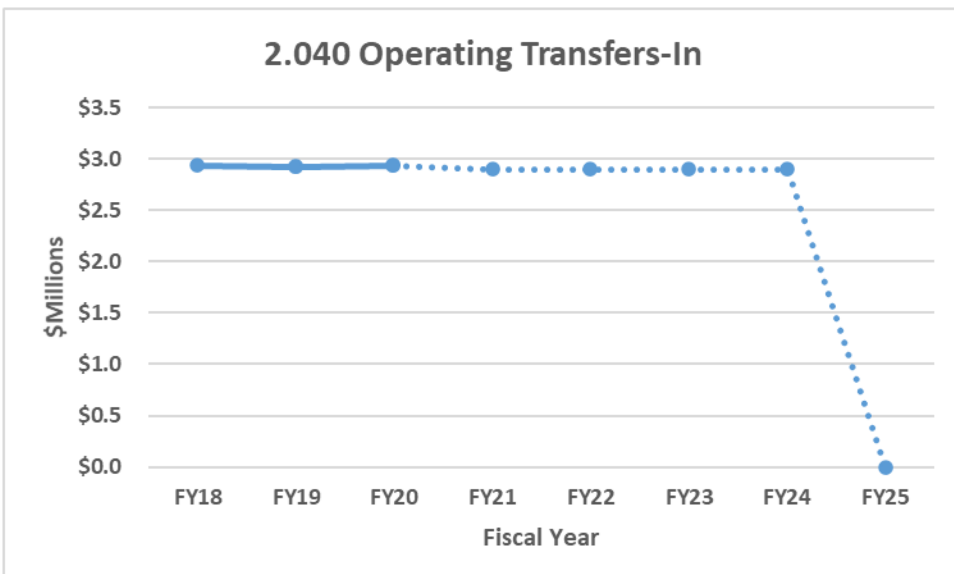


[5] The City shared a portion of their federal Corona Virus Relief Funds (CRF). At the time of this writing there is some question whether this funding should be in the General Fund or recorded in a separate CRF fund on the district records. If the revenue is recoded, so would the related expenditure discussed later in these notes.

2.040 Operating Transfers-In

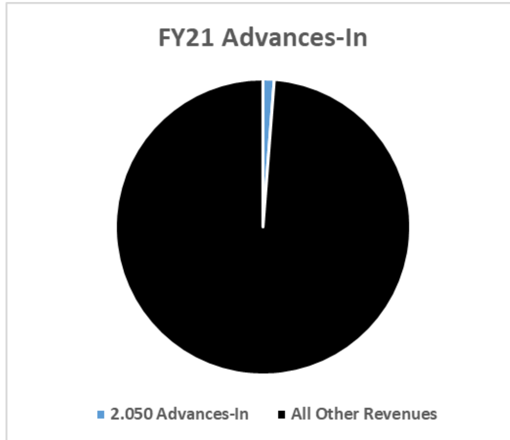
Permanent movement of monies between funds. This is related to a transfer to the Debt Service fund to pay debt service on bonds issued for the purchase of school buses. Less than 0.5% of total revenues.

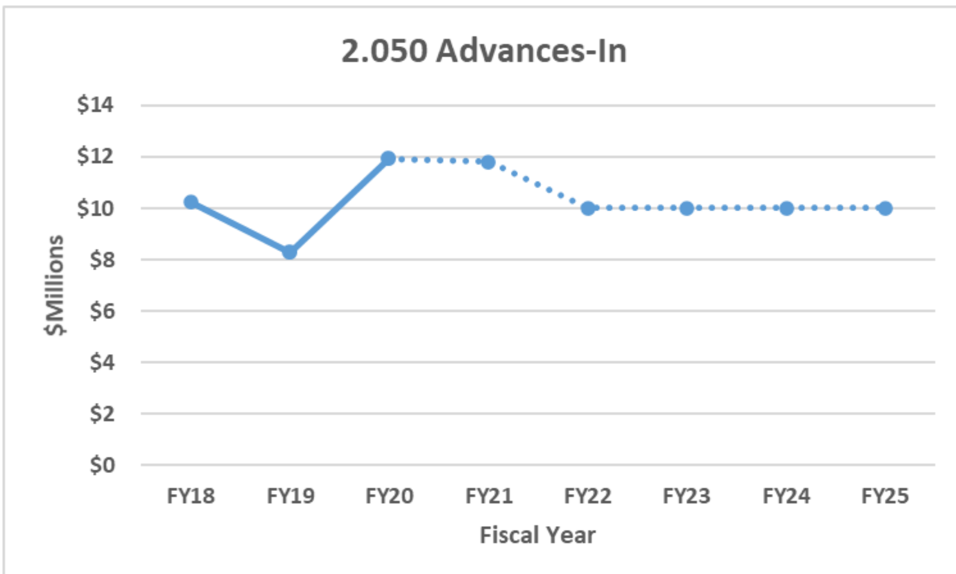




2.050 Advances-In

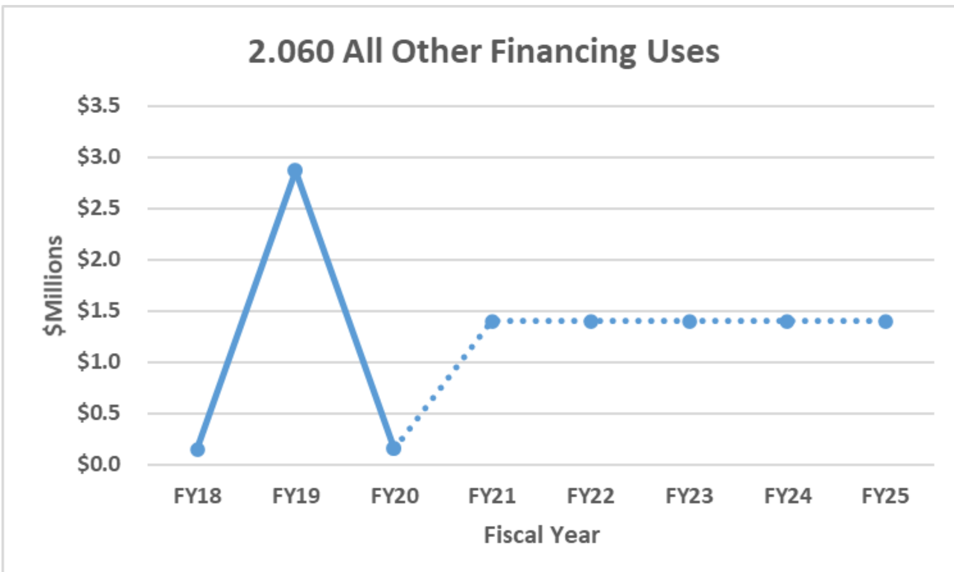
Temporary movement of monies between funds. Generally dependent on the cash flow needs of other funds, this is the return of funds temporarily advances to other funds from the General Fund. The corollary expenditure line is line 5.020 Advances-Out. Projected based on prior year Advances-Out and then $10 million flat after that. 1.2% of total revenues.





2.060 All Other Financing Sources

Sale and Loss of Assets, Refund of Prior Year Expenditures. Increased to $1.4 million annually in anticipation of refund from County Auditor[6].



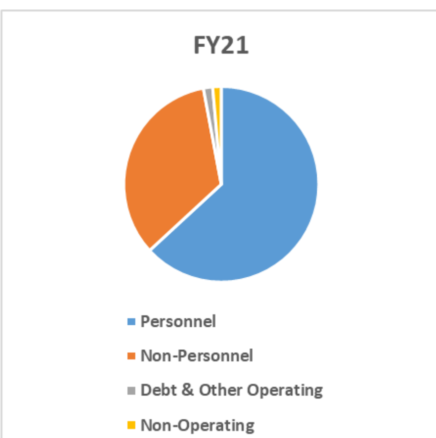
[6] For FY19, the district received a one-time refund of County Auditor and Treasurer Fees of $2.4 million. During FY20 $1.4 million was received unexpectedly and outside of the more typical 3-year cycle for such refunds. In FY20 the refund was treated as a reduction in expenditure since it was so closely related to the current expenditures for fees. For consistency, future refunds will be recorded here.

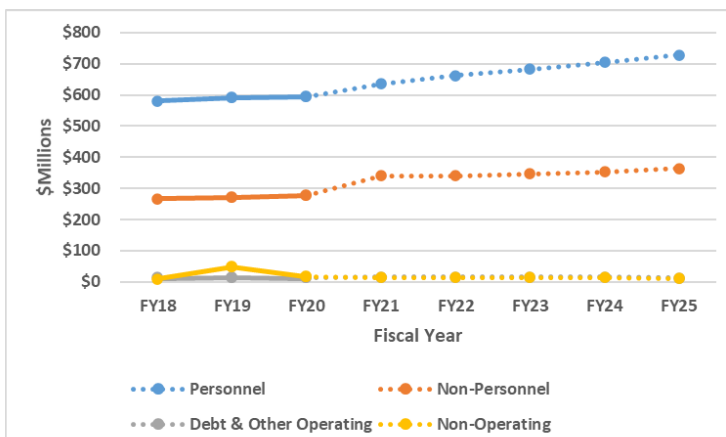
EXPENDITURES

Overview

Total expenditures are projected to climb from $898 million in FY12 to $1.12 billion in FY25, an annual growth rate of 4.4%. Personnel related expenditures (Salaries/Wages and Benefits, lines 3.010 and 3.020 in the FYF) are forecasted to increase at a rate of 4.2% annually from $594 million in FY20 to $728 million in FY25. Non-personnel items (lines 3.020 – 3.050 in the FYF) increase from $276 million in FY20 to $364 million in FY25, a growth rate of 5.7% annually[7]. Debt related expenditures (lines 4.020 – 4.060 in the FYF) are projected to remain substantially unchanged during the forecast period until FY25 when certain debt is fully retired. Other operating expenditures (line 4.300 in the FYF) are flat at $11.1 million. Non-Operating expenditures ("Other Financing Uses", line 5.040 in the FYF, which includes Transfers and Advances Out and Other Financing Uses) include $700,000 for a transfer to the WCBE fund in all years of the FYF and $148,000 transfer to the LatchKey fund in FY21 only. The spike in FY19 was related to the one-time transfer out of $30.9 million to address the estimated costs for the Dominion-North-Brookhaven program realignments[8] and shortfall in the WCBE fund[9].

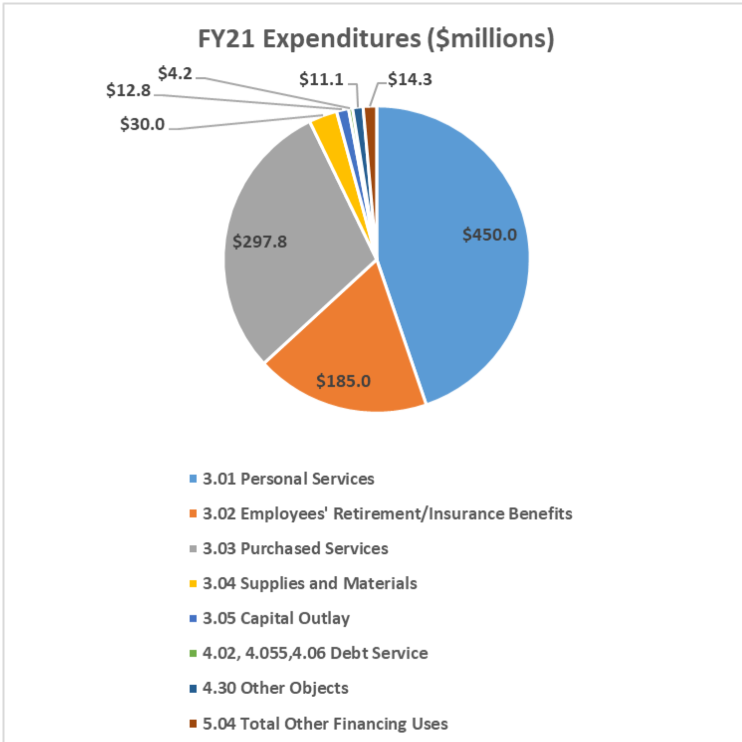
	ACTUAL			*PROJECTED*				
$Millions	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Total Expenditures	$871.4	$920.9	$898.4	$1,005.2	$1,031.9	$1,059.2	$1,089.2	$1,116.3
Personnel Related	$580.1	$589.9	$593.6	$635.0	$661.7	$683.2	$705.4	$728.3
Non-Personnel	$267.1	$269.7	$276.2	$340.6	$340.6	$346.3	$353.7	$363.6
Debt Related	$4.1	$4.1	$4.1	$4.2	$4.2	$4.1	$4.2	$1.2
Other Operating	$9.7	$9.9	$8.3	$11.1	$11.1	$11.3	$11.6	$11.8
Non-Operating	$10.3	$47.2	$16.3	$14.3	$14.3	$14.3	$14.3	$11.4

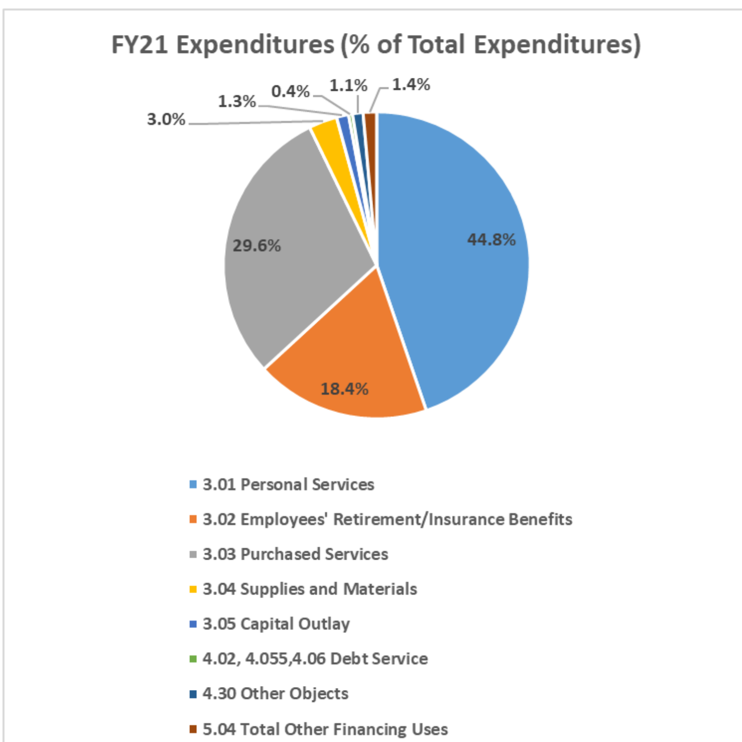




[7] The non-personnel forecast is based on the district's 5-year budget process, not a "last year plus" methodology. The percent growth rate while descriptive is not indicative of the process employed to arrive at the five-year projection. Additionally, it is expected that actual expenditures will be less than budgeted based on experience.
[8] $30 million.
[9] $870,000.

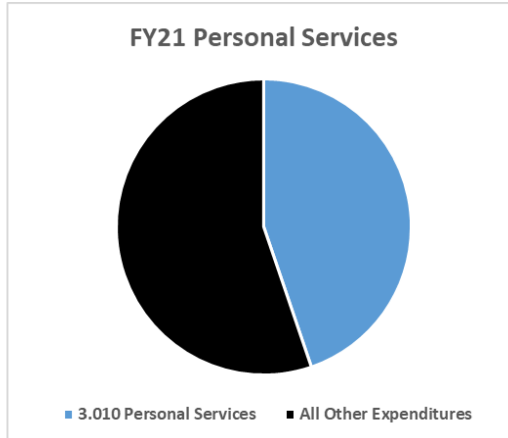
FYF Line Breakdown

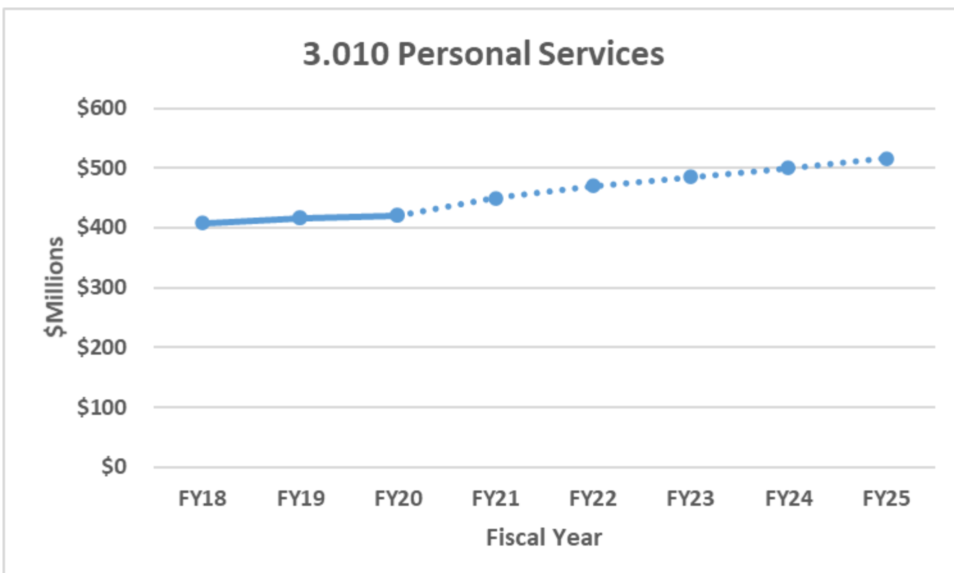




3.010 Personal Services

Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc. The forecast includes step increases for staff[10], additional staffing, and a 3% pay increase for all staff in fiscal years 2021 and 2022. For fiscal year 2023 through 2025 an increase of 1% is included. Additional staffing includes certain positions included in the November 2016 levy campaign and additional positions added or planned to meet programmatic needs. The number of additional positions planned are 159.0 FTE in FY21 and 5.0 FTE in FY22[11]. The projected growth rate FY20 to FY25 is 4.2%. Personal Services represents 45% of all expenditures.

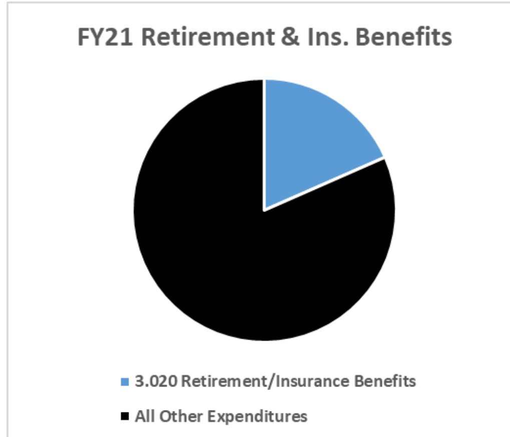


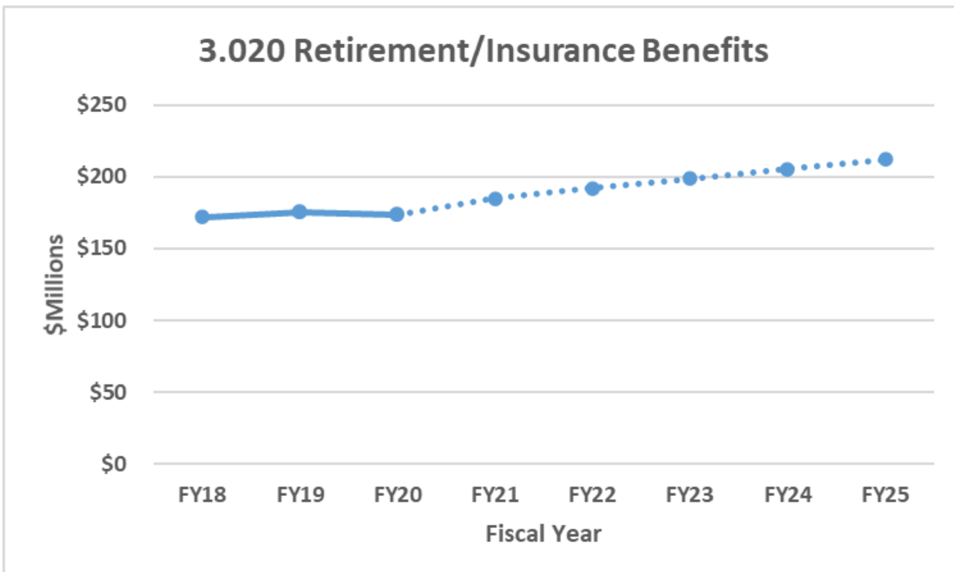


[10] Approximately 2% of base cost annually.
[11] See also FY21 Staffing Requests for a presentation of staffing requests presented to the Finance and Appropriations Committee.

3.020 Employees' Retirement/Insurance Benefits

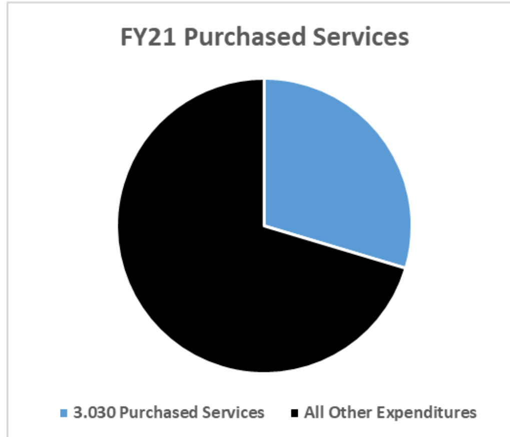
Retirement for all employees, Workers' Comp., Medicare, unemployment, and all health-related insurances. Retirement, workers' comp., and Medicare are all based on a percentage of applicable salaries/wages. Health-related insurances are projected to increase at the rate of 3.99%[12] annually from FY20 to FY25. The projected growth rate FY20 to FY25 for all retirement and insurance benefits is 4.2%. Retirement/Insurance Benefits account for 18% of total expenditures.





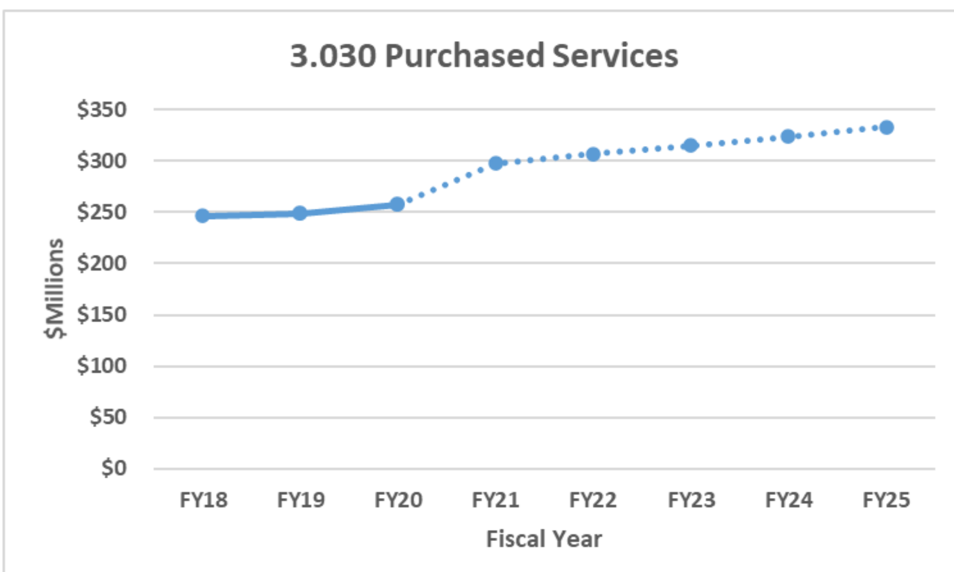
[12] Trends for medical, life, dental and vision individually ranged from -0.18% to 4.36% annually.

3.030 Purchased Services



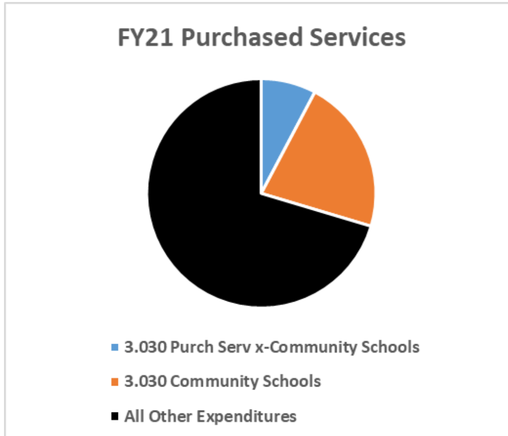
Amounts paid for personal services rendered by personnel who are not on the payroll of the school district, and other services which the school district may purchase. Examples include but are not limited to legal fees, maintenance agreements, utilities, and tuition paid for students attending other school districts, including open enrollment and community schools. The projected growth rate FY20 to FY25 is 5.3%. In total, purchased services account for 30% of General Fund expenditures. As with all other non-personnel lines (3.040 Supplies and Materials, 3.050 Capital Outlay, and 4.030 Other Objects), projected expenditures are based on the district's annual budget preparation process, which generally begins during the second quarter of the fiscal year and continues through May, culminating in the adoption of an appropriation resolution in June for the ensuing fiscal year.

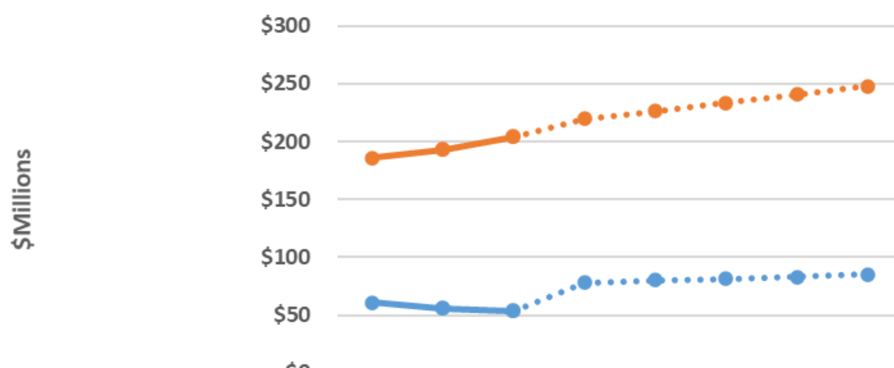
A significant expenditure within purchased services is the deduction for community schools. Because of its financial and political impact, this deduction/expenditure is called out in most financial reporting of the district. The projection for community schools, etc., is based on an estimate of both the number of students and the dollars per student that leave the district based on trend. The FY20-FY25 projected growth rate for community schools is 4.0% and 9.8%[13] for purchased services excluding community schools.



[13] Keep in mind the forecast for non-personnel is based on budgeted numbers and typically actual expenditures come in much lower. Using budget numbers while conservative tends to overstate growth rates.

Community Schools Break Out



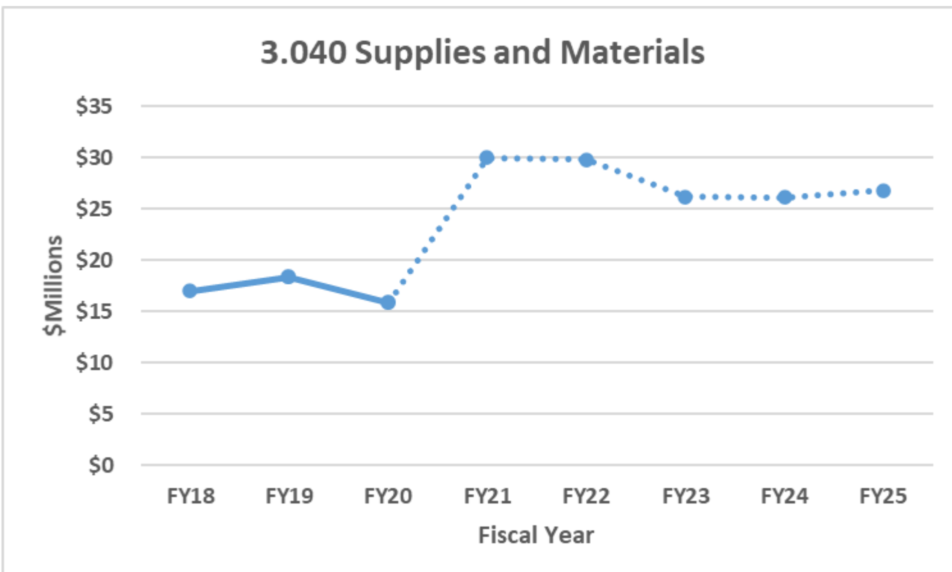


	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
3.030 Purch Serv x-Community Schools	$60.7	$55.5	$53.2	$77.9	$80.2	$81.5	$83.2	$85.1
3.030 Community Schools	$186.1	$193.0	$203.7	$219.9	$226.6	$233.7	$240.8	$248.0

Fiscal Year

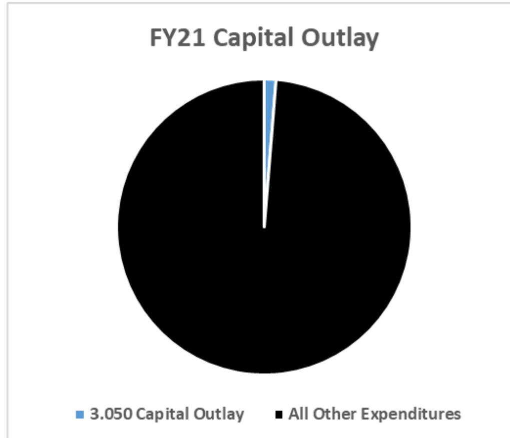
3.040 Supplies and Materials

Examples include but are not limited to general supplies, instructional materials including textbooks and media materials, bus fuel and tires, and all other maintenance supplies. At 3% of total expenditures, this line is projected to grow 11.1% annually from $16 million in FY20 to $27 million in FY25. Recall that the projection for this non-personnel line item is not based on “last year plus;” instead, it is based on the district’s 5-year budget process[14]. The “bump” in expenditures in FY21 and FY22 represents an anticipated new textbook adoption/purchase.

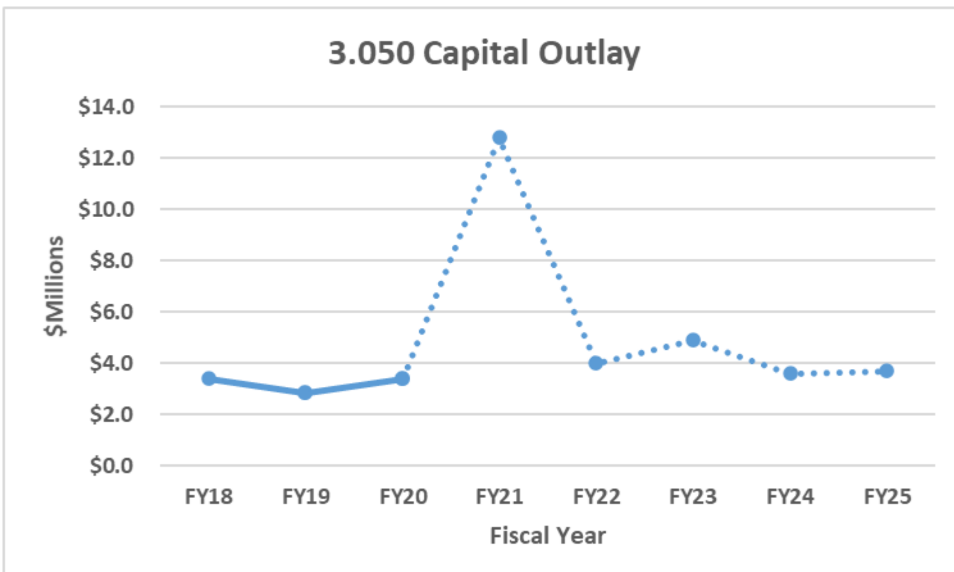


[14] Using budget numbers while conservative tends to overstate growth rates as actual expenditures historically come in under budget.

3.050 Capital Outlay

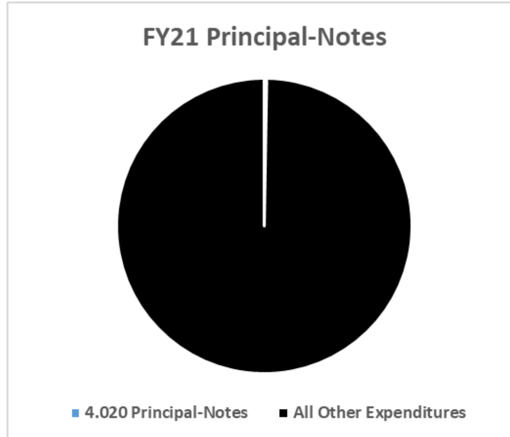


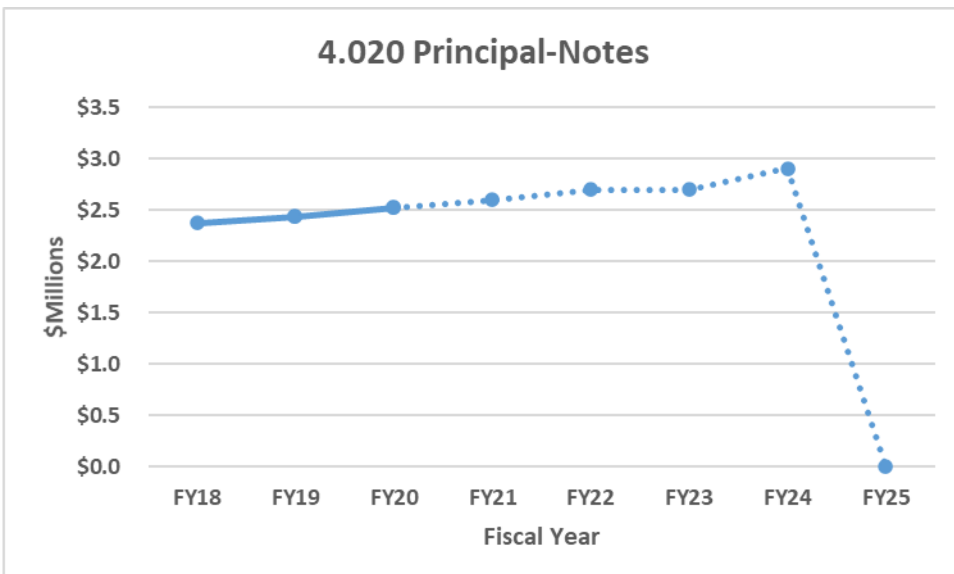
This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, buses, and vehicles. For FY21 this represents 1.3% of the General Fund expenditures. The district strives to shift capital outlay expenses to alternate sources of funding, e.g. permanent improvement levy funding. There remains, however, a small portion that is appropriately expended out of the General Fund. The spike in FY21 is related to planned purchases of technical/computer equipment. Again, the projection for this non-personnel line item is not based on "last year plus;" instead, it is based on the district's 5-year budget process.



4.020 Principal-Notes

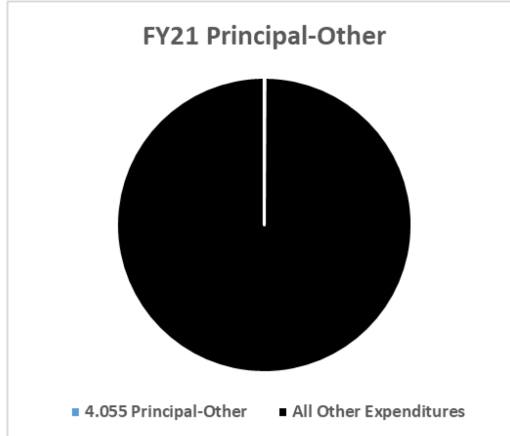
Payment of principal on the bond anticipation notes (BANs) issued in 2013 for the purchase of school buses. This debt will be fully retired at the end of FY24. This expenditure flows through the Debt Service Fund on the district records but is included and reported here due to a requirement that the FYF reflect all General Fund related activities.

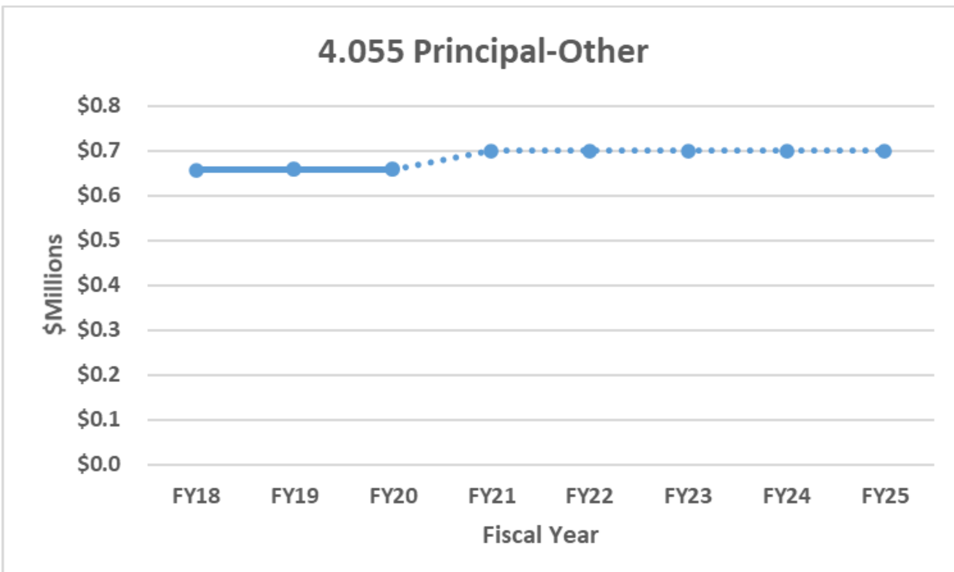




4.055 Principal-Other

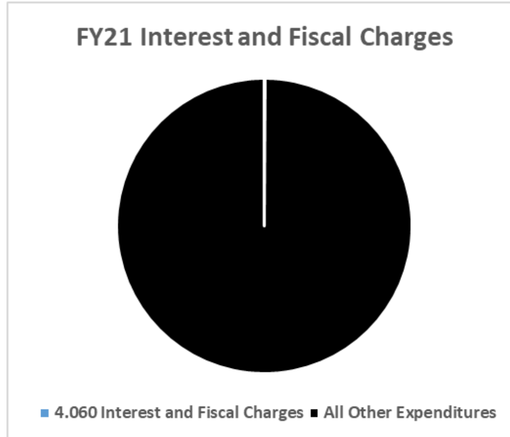
Payment of principal on Qualified School Construction Bonds issued in 2011. Another example of Debt Service Fund activity reported in the FYF as General Fund related. This debt is fully retired after FY25.

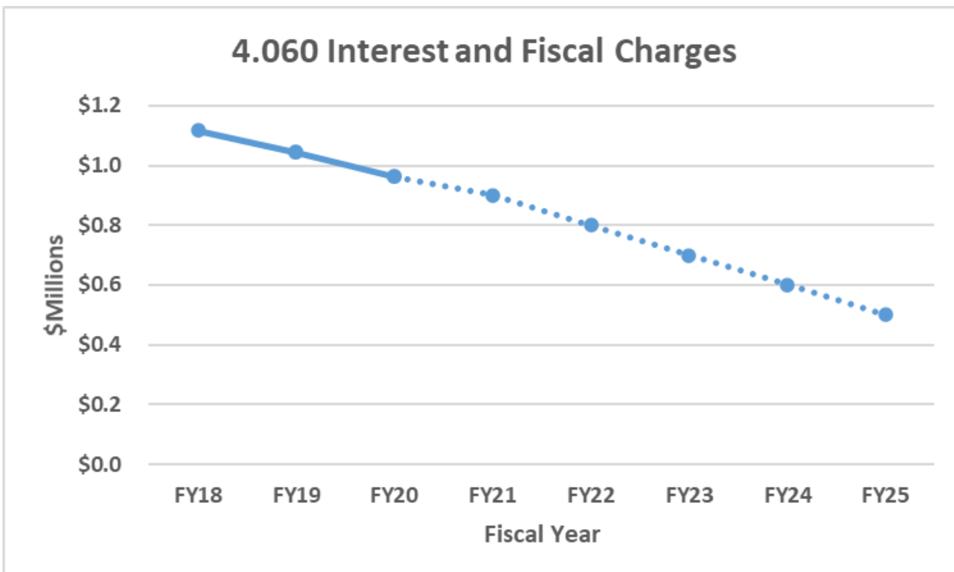




4.060 Interest and Fiscal Charges

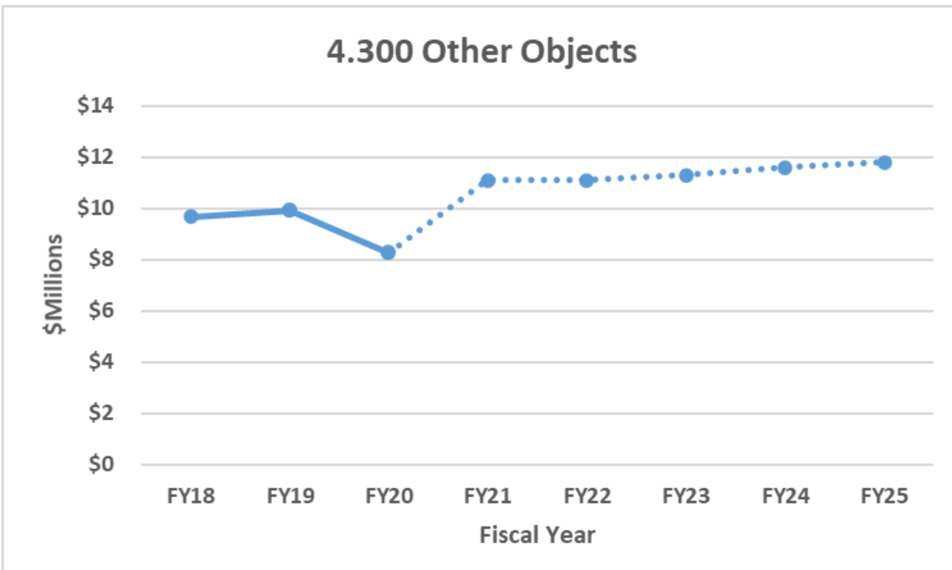
Interest payable on the BANs and QSCBs the principal of which is shown on lines 4.020 and 4.055.





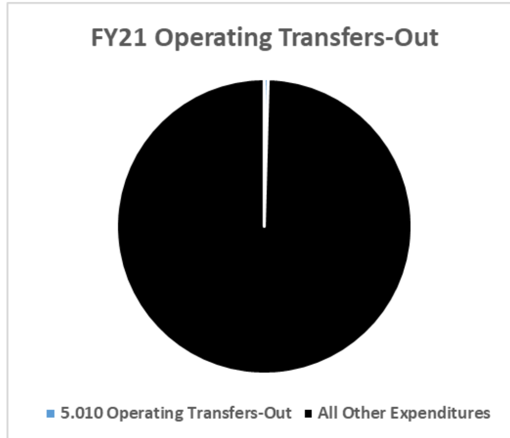
4.300 Other Objects

The primary components listed here consists of membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, election expenses, etc. Just over 91% of the line is for county auditor and treasurer fees for the calculation, assessment, collection, and distribution of property taxes. The abnormal drop in FY20 is from recording a refund from the county auditor as a reduction in expenditure[15]. For future years, any such refund will be recorded as revenue (Refund of Prior Years' Expenditure) in keeping with prior practice.

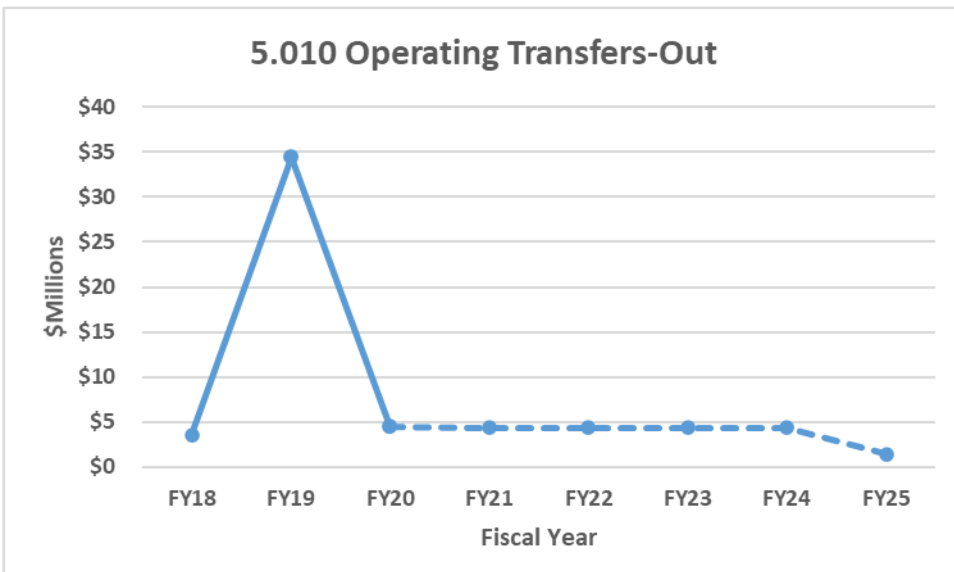


[15] Typically, such refunds were received on a 3-year cycle. The refund in FY20 was off-cycle and unexpected and more closely related to current year expenditures for county/auditor fees which was the basis for recording this as a reduction in expenditures. Because this treatment created an obvious "bump" in the data, future refunds will be recorded as revenue.

5.010 Operating Transfers-Out



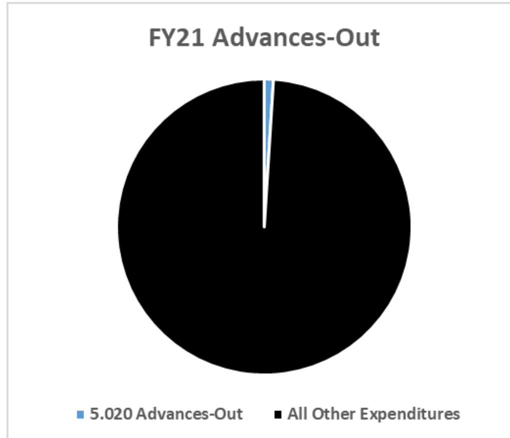
Permanent movement of monies between funds. Included here is a transfer of $2.9 million to the Debt Service Fund for the payment of debt service on the school bus bond anticipation notes (BANs) (the expenditure corollary to revenue line 2.04) and the annual transfer of $642,800 to the Athletics Funds. The transfer for payment of the bus BANs will end after FY24 once the bonds are paid off. Late in FY19 the board transferred $30 million to a construction fund for the purpose of building renovations to accommodate the program realignment of 3 schools: Dominion Middle School, North International, and the Global Academy at Brookhaven. Additionally, the board transferred $870,000 to the WCBE[16] fund to pay for previously undisclosed invoices. These two, one-time transfers explain the "bump" in FY19. An ongoing transfer of $750,000 to support the operations of WCBE is included in FY21 – FY25.

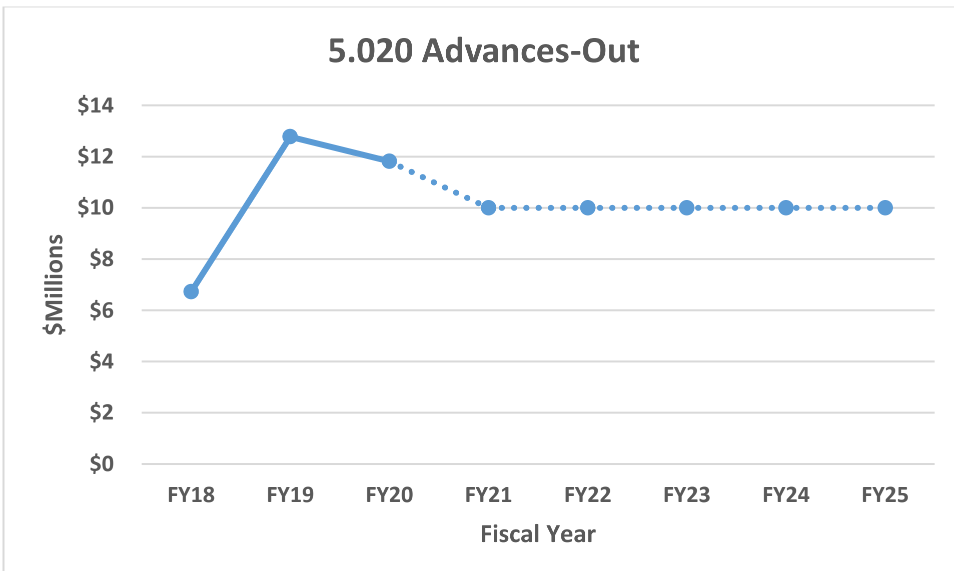


[16] WCBE is a public radio station operated by the district.

5.020 Advances-Out

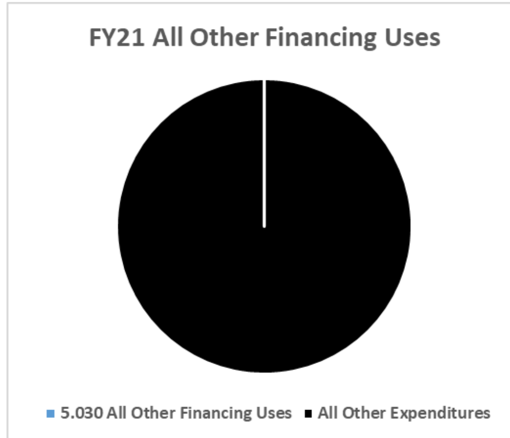
Temporary movement of monies between funds. Activity here is dependent on the cash flow needs of other funds. This is the expenditure corollary to revenue line 2.050 Advances-In.

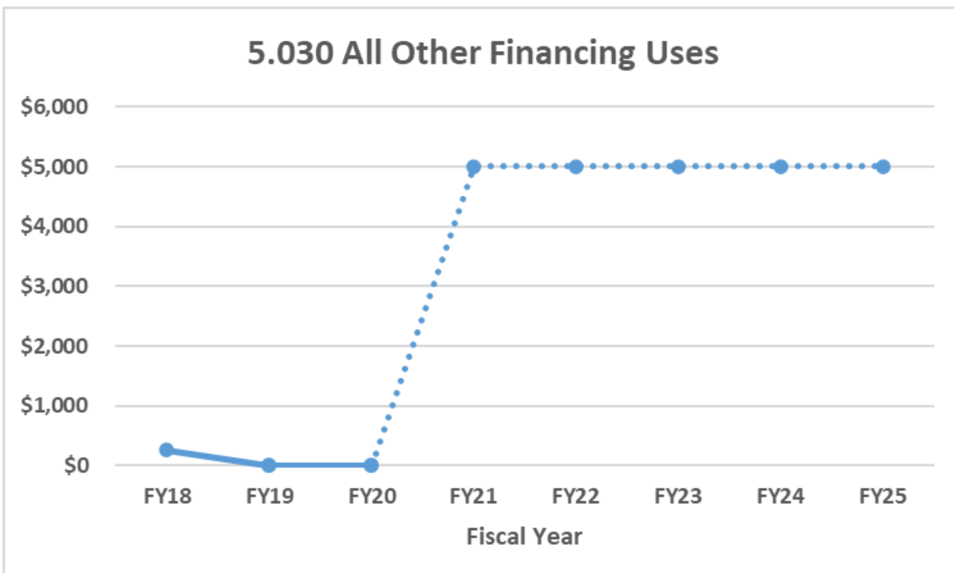




5.030 All Other Financing Uses

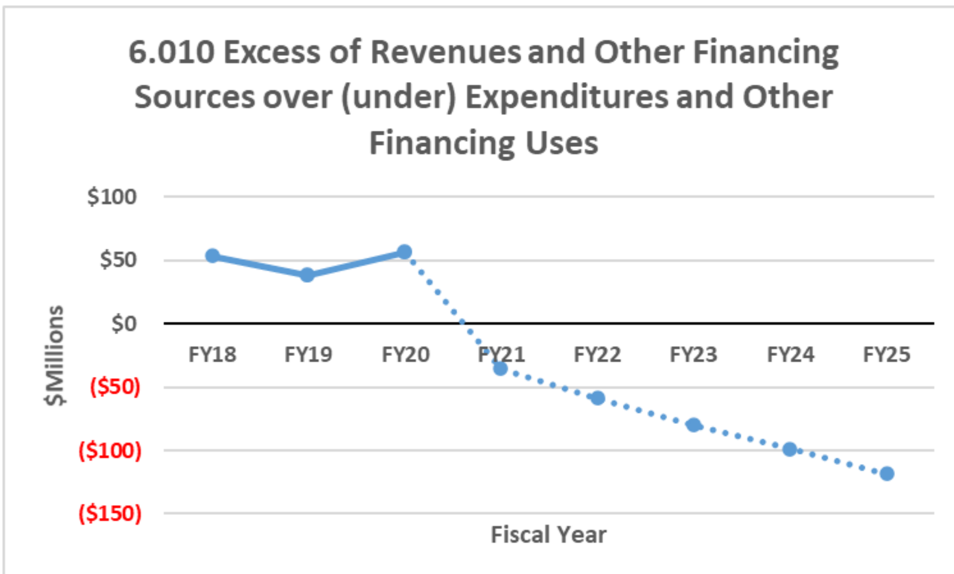
A line item for contingencies and refund of prior year receipts. While budgeted (and hence included in the FYF) little if any expenditure activity occurs on this line.





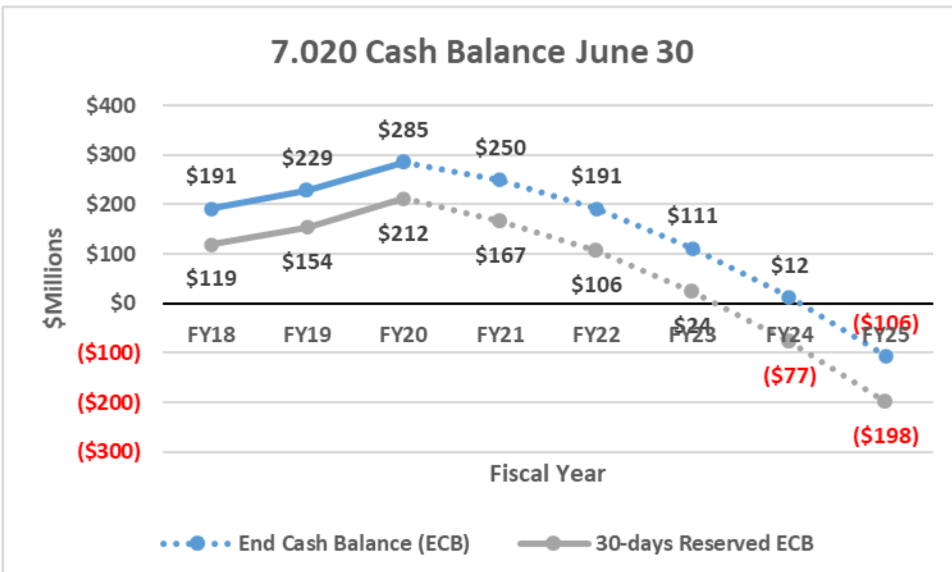
6.010 Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses

Line 2.080 minus 5.050. This line can be used to get a good sense of a school district's fiscal health. A positive number indicates that a school district spent within its revenue for that fiscal year. A negative number indicates that a school district's expenditures exceeded the revenue generated for that fiscal year resulting in a reduction to any surplus the district may hold. A school district experiencing several years of "overspending" will almost always result in fiscal concerns or insolvency. The district increased its cash balance in each fiscal year from FY18 through FY20. FY21 marks the first year during which expenditures begin to exceed revenues and an unsustainable decline in cash balance begins.



7.020 Cash Balance June 30

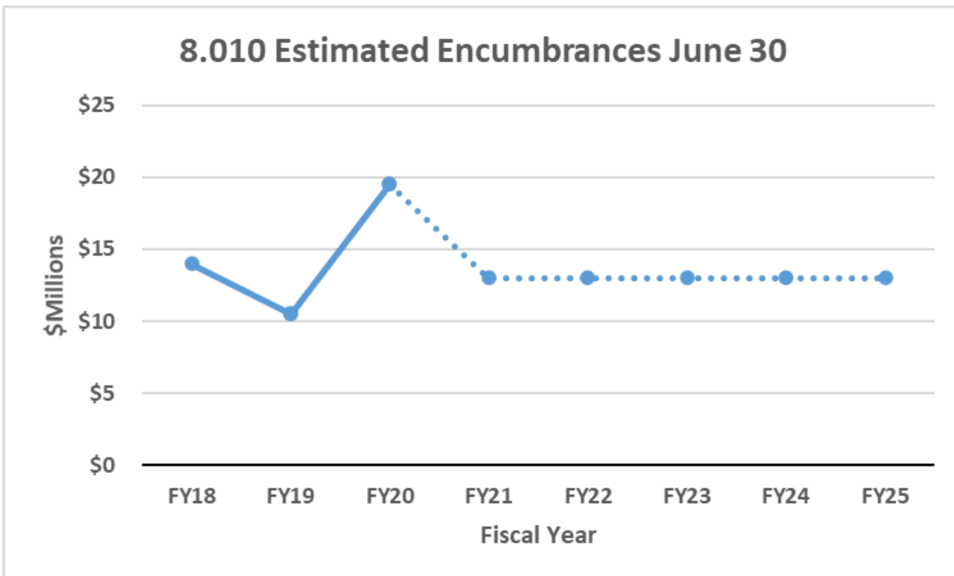
The Government Finance Officers Association has a best practices recommendation of maintaining a 30-day cash balance reserve or target. While there is no formal board policy on cash balance, our discussions always reference this as our planning target. The forecast for the FY21 ending cash balance is improved from the May 2020 forecast largely due to a $14.5 million improvement in the actual ending balance for FY20. The remaining years of the forecast show a reduced cash balance compared to the May 2020 forecast with FY24[17] declining $34 million to $12 million and FY25, the final year of this forecast, ending with a deficit of $106 million. The graph shows actual cash balance along with a reserved cash balanced reflecting 30-days expenditures. Note that FY24, while positive in true cash, does not meet the 30-day cash target and is therefore negative.



[17] The last year included in the May 2020 forecast.

8.010 Estimated Encumbrances June 30

The amount of money already requested through a purchase order. The funds have been obligated, but a check has not yet been written. Funds may be encumbered (obligated) in one fiscal year and paid in another.



Net Changes Since May 2020 Forecast

LN	Revenues	FY20	FY21	FY22	FY23	FY24	Total
1.01	Property Taxes	(33,062)	7,900,000	6,400,000	3,800,000	2,900,000	20,966,938
1.02	Tang. Pers. Prop. Taxes	0	0	0	0	0	0
1.03	Income Tax	0	0	0	0	0	0
1.035	Unrestr. State Aid	(8,531,921)	(9,200,000)	(9,200,000)	(9,200,000)	(9,200,000)	(45,331,921)
1.04	Restr. State Aid	(10,277)	0	0	0	0	(10,277)
1.045	Restr. Fed. Grants	(255,858)	0	0	0	0	(255,858)
1.05	Prop. Tax Alloc.	(2,131,593)	(1,300,000)	(1,400,000)	(1,500,000)	(1,700,000)	(8,031,593)
1.06	Other Local Rev.	1,873,437	9,860,000	2,760,000	2,760,000	2,760,000	20,013,437
1.07	**Total Revenues**	**(9,089,275)**	**7,260,000**	**(1,440,000)**	**(4,140,000)**	**(5,240,000)**	**(12,649,275)**
	Other Financing Sources						
2.01	Proceeds from Sale of Notes	0	0	0	0	0	0
2.02	State Emer. Loans/Advance	0	0	0	0	0	0
2.04	Transfers-In	32,888	0	0	0	0	32,888
2.05	Advances-In	(901,512)	1,800,000	0	0	0	898,488
2.06	All Other Fin. Sources	52,443	1,300,000	1,300,000	1,300,000	1,300,000	5,252,443
2.07	Total Other Fin. Sources	(816,182)	3,100,000	1,300,000	1,300,000	1,300,000	6,183,818
2.08	**Total Rev. and Other Fin. Sources**	**(9,905,456)**	**10,360,000**	**(140,000)**	**(2,840,000)**	**(3,940,000)**	**(6,465,456)**
LN	Expenditures	FY20	FY21	FY22	FY23	FY24	Total
3.01	Personal Services	(3,788,656)	(400,000)	(4,700,000)	(4,700,000)	(4,900,000)	(18,488,656)
3.02	Benefits	(8,331,946)	(7,600,000)	(8,600,000)	(8,900,000)	(9,200,000)	(42,631,946)
3.03	Purchased Services	(9,374,001)	13,200,000	19,000,000	19,800,000	21,200,000	63,825,999
3.04	Supplies and Materials	(2,181,467)	6,400,000	6,200,000	2,600,000	2,500,000	15,518,533
3.05	Capital Outlay	(192,732)	7,600,000	600,000	500,000	600,000	9,107,268
3.06	Intergovernmental	0	0	0	0	0	0
	Debt Service:						
4.01	Principal-All (Historical Only)	0	0	0	0	0	0
4.02	Principal-Notes	20,000	0	0	0	0	20,000
4.03	Principal-State Loans	0	0	0	0	0	0
4.04	Principal-State Advancements	0	0	0	0	0	0
4.05	Principal-HB 264 Loans	0	0	0	0	0	0
4.055	Principal-Other	(42,335)	0	0	0	0	(42,335)
4.06	Interest and Fiscal Charges	(38,619)	0	0	0	0	(38,619)
4.3	Other Objects	(2,430,244)	200,000	100,000	100,000	100,000	(1,930,244)
4.5	**Total Expenditures**	**(26,360,000)**	**19,400,000**	**12,600,000**	**9,400,000**	**10,300,000**	**25,340,000**
	Other Financing Uses						
5.01	Operating Transfers-Out	192,188	0	0	0	0	192,188
5.02	Advances-Out	1,815,081	0	0	0	0	1,815,081
5.03	All Other Financing Uses	(5,000)	0	0	0	0	(5,000)
5.04	Total Other Financing Uses	2,002,269	0	0	0	0	2,002,269
5.05	**Total Expend. and Other Fin. Uses**	**(24,357,732)**	**19,400,000**	**12,600,000**	**9,400,000**	**10,300,000**	**27,342,268**
6.01	**Excess of Rev. over (under) Expend.**	**14,452,275**	**(9,040,000)**	**(12,740,000)**	**(12,240,000)**	**(14,240,000)**	**(33,807,725)**
7.01	Cash Balance July 1	(0)	14,452,275	5,412,275	(7,327,725)	(19,567,725)	
7.02	**Cash Balance June 30**	**14,452,275**	**5,412,275**	**(7,327,725)**	**(19,567,725)**	**(33,807,725)**	

References

LSC. (2020). *Budget Footnotes FY 2021: November 2020.* Columbus, Ohio: http://www.lsc.state.oh.us/documents/budget/documents/budgetfootnotes/v44n03.pdf.

OBM. (2020). *Monthly Economic Summary and State Financial Report.* Columbus, Ohio: https://archives.obm.ohio.gov/Files/Budget_and_Planning/Monthly_Financial_Report/2020-11_mfr.pdf.

Ohio Department of Education. (n.d.). Retrieved from http://education.ohio.gov/getattachment/Topics/Finance-and-Funding/Five-Year-Forecast/How-to-Read-a-Five-Year-Forecast/HOW-TO-READ-A-FORECAST.pdf.aspx

FY21 General Fund Staffing Requests

FY21 General Fund Staffing Requests

Or cut and paste into browser:
https://go.boarddocs.com/oh/columbus/Board.nsf/files/BMKP3Q5FD814/$file/FY21%20Budget%20Presentation%20-%20Personnel%20-%20FAC%20-%20031120.pdf

Five Year Forecast – Schedule of Revenue, Expenditures, and Changes in Fund Balances

See forecast document on following pages.

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COLUMBUS CITY SCHOOLS FIVE YEAR FORECAST FOR FISCAL YEAR 2021

DISTRICT TYPE: CITY
IRN: 043802
COUNTY: FRANKLIN

APPROVED
NOVEMBER 4, 2020

		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)	500,906,130	506,994,819	519,166,938	1.8%	532,100,000	541,500,000	547,900,000	558,300,000	568,200,000
1.020	Tangible Personal Property	17,997	10,074	0	-72.0%	0	0	0	0	0
1.030	Income Tax	0	0	0	0.0%	0	0	0	0	0
1.035	Unrestricted State Grants-in-Aid	300,496,271	311,696,468	302,568,079	0.4%	299,400,000	301,900,000	301,900,000	301,900,000	301,900,000
1.040	Restricted State Grants-in-Aid	44,101,330	47,642,115	47,789,723	4.2%	47,800,000	47,800,000	47,800,000	47,800,000	47,800,000
1.045	Restricted Fed. Grants	482,142	486,727	244,142	-24.4%	500,000	500,000	0	0	0
1.050	Property Tax Allocation	40,066,952	34,265,618	33,668,407	-8.1%	34,500,000	35,200,000	35,700,000	36,300,000	37,000,000
1.060	All Other Revenues	25,693,934	44,087,894	35,973,437	26.6%	39,500,000	31,700,000	31,700,000	31,700,000	31,700,000
1.070	Total Revenues	911,764,756	945,183,715	939,410,725	1.5%	953,800,000	958,600,000	965,000,000	976,000,000	986,600,000
	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	2,938,763	2,923,225	2,932,888	-0.1%	2,900,000	2,900,000	2,900,000	2,900,000	0
2.050	Advances-In	10,241,811	8,260,212	11,898,488	12.3%	11,800,000	10,000,000	10,000,000	10,000,000	10,000,000
2.060	All Other Financing Sources	149,747	2,863,739	152,443	858.9%	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
2.070	Total Other Financing Sources	13,330,320	14,047,176	14,983,818	6.0%	16,100,000	14,300,000	14,300,000	14,300,000	11,400,000
2.080	**Total Revenues and Other Financing Sources**	**925,095,077**	**959,230,891**	**954,394,544**	**1.6%**	**969,900,000**	**972,900,000**	**979,300,000**	**990,300,000**	**998,000,000**
	Expenditures									
3.010	Personal Services	408,261,670	414,893,020	420,211,344	1.5%	450,000,000	469,500,000	484,600,000	500,100,000	516,100,000
3.020	Employees' Retirement/Insurance Benefits	171,848,655	175,012,396	173,368,054	0.5%	185,000,000	192,200,000	198,600,000	205,300,000	212,200,000
3.030	Purchased Services	246,750,423	248,550,194	256,925,999	2.0%	297,800,000	306,800,000	315,200,000	324,000,000	333,100,000
3.040	Supplies and Materials	16,990,913	18,381,097	15,818,533	-2.9%	30,000,000	29,800,000	26,200,000	26,100,000	26,800,000
3.050	Capital Outlay	3,403,406	2,816,894	3,407,268	1.9%	12,800,000	4,000,000	4,900,000	3,600,000	3,700,000
3.060	Intergovernmental	0	0	0	0.0%	0	0	0	0	0
	Debt Service:									
4.010	Principal-All (Historical Only)				0.0%					
4.020	Principal-Notes	2,370,000	2,430,000	2,520,000	3.1%	2,600,000	2,700,000	2,700,000	2,900,000	0
4.030	Principal-State Loans	0	0		0.0%	0	0	0	0	0
4.040	Principal-State Advancements	0	0		0.0%	0	0	0	0	0
4.050	Principal-HB 264 Loans	0	0		0.0%	0	0	0	0	0
4.055	Principal-Other	657,665	657,665	657,665	0.0%	700,000	700,000	700,000	700,000	700,000
4.060	Interest and Fiscal Charges	1,117,257	1,041,719	961,382	-7.2%	900,000	800,000	700,000	600,000	500,000
4.300	Other Objects	9,675,157	9,913,220	8,269,756	-7.1%	11,100,000	11,100,000	11,300,000	11,600,000	11,800,000
4.500	Total Expenditures	861,075,144	873,696,205	882,140,000	1.2%	990,900,000	1,017,600,000	1,044,900,000	1,074,900,000	1,104,900,000
	Other Financing Uses									
5.010	Operating Transfers-Out	3,581,563	34,436,025	4,492,188	387.3%	4,300,000	4,300,000	4,300,000	4,300,000	1,400,000
5.020	Advances-Out	6,723,427	12,771,174	11,815,081	41.2%	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
5.030	All Other Financing Uses	267	0	0	0.0%	5,000	5,000	5,000	5,000	5,000
5.040	Total Other Financing Uses	10,305,256	47,207,199	16,307,269	146.3%	14,305,000	14,305,000	14,305,000	14,305,000	11,405,000
5.050	**Total Expenditures and Other Financing Uses**	**871,380,400**	**920,903,404**	**898,447,268**	**1.6%**	**1,005,205,000**	**1,031,905,000**	**1,059,205,000**	**1,089,205,000**	**1,116,305,000**
6.010	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	53,714,676	38,327,487	55,947,275	8.7%	(35,305,000)	(59,005,000)	(79,905,000)	(98,905,000)	(118,305,000)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	137,397,116	191,111,792	229,439,279	29.6%	285,386,554	250,081,554	191,076,554	111,171,554	12,266,554
7.020	**Cash Balance June 30**	**191,111,792**	**229,439,279**	**285,386,554**	**22.2%**	**250,081,554**	**191,076,554**	**111,171,554**	**12,266,554**	**(106,038,446)**
8.010	Estimated Encumbrances June 30	13,973,332	10,461,095	19,469,497	30.5%	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000
	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**	**177,138,460**	**218,978,184**	**265,917,057**	**22.5%**	**237,081,554**	**178,076,554**	**98,171,554**	**(733,446)**	**(119,038,446)**

COLUMBUS CITY SCHOOLS FIVE YEAR FORECAST FOR FISCAL YEAR 2021

APPROVED
NOVEMBER 4, 2020

DISTRICT TYPE: CITY
IRN: 043802
COUNTY: FRANKLIN

	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%	0	0	0	0	0
12.010 Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations	**177,138,460**	**218,978,184**	**265,917,057**	**22.5%**	**237,081,554**	**178,076,554**	**98,171,554**	**(733,446)**	**(119,038,446)**
Revenue from New Levies									
13.010 Income Tax - New				0.0%	0	0	0	0	0
13.020 Property Tax - New				0.0%	0	0	0	0	0
13.030 Cumulative Balance of New Levies				0.0%	0	0	0	0	0
14.010 Revenue from Future State Advancements				0.0%	0	0	0	0	0
15.010 Unreserved Fund Balance June 30	177,138,460	218,978,184	265,917,057	22.5%	237,081,554	178,076,554	98,171,554	(733,446)	(119,038,446)

See accompanying summary of significant forecast assumptions and accounting policies
Includes: General fund, Emergency Levy fund, and any portion of Debt Service fund related to General fund debt.