



Five Year Forecast Presentation  
November 18, 2021

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# Guidance

- The Ohio Department of Education (ODE) has developed a guide to assist teachers, administrators, Boards of Education, community members or other individuals in developing a general understanding of a school district's five-year forecast.
- <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>



# General Information

- The five year forecast contains estimates based on the best information available at the time it is prepared
- The forecast is required to be updated and filed with ODE in November (formerly October) and May of each fiscal year
- The forecast contains three previous years of actual data (2019-2021) and five years of forecasted data (2022-2026)
- The numbers on the forecast only tell a small part of the story. The information contained in the forecast assumptions is an integral part of the forecast
- Riverside's forecast includes the General Fund and Lake County School Financing District fund



# Executive Overview

- Solvent through the end of fiscal year 2026 (See line 7.020)
- Some remaining expenses related to COVID-19
- Deficit spending is projected to start in fiscal year 2024
  - Deficit spending is where expenditures exceed revenues
  - See line 6.010 Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses
  - FY2022 begins a new state biennium budget with a new funding formula called the Fair School Funding Plan
    - Details of the new funding formula have been delayed and will not be released by the Ohio Department of Education until December 2021, which is after the statutory filing deadline of this forecast
    - Future state biennium budgets will begin FY2024 and FY2026
      - The legislature may continue the phase-in of the Fair School Funding Plan or could change it to something else
      - The six year phase-in was removed from the current state budget



# Executive Overview

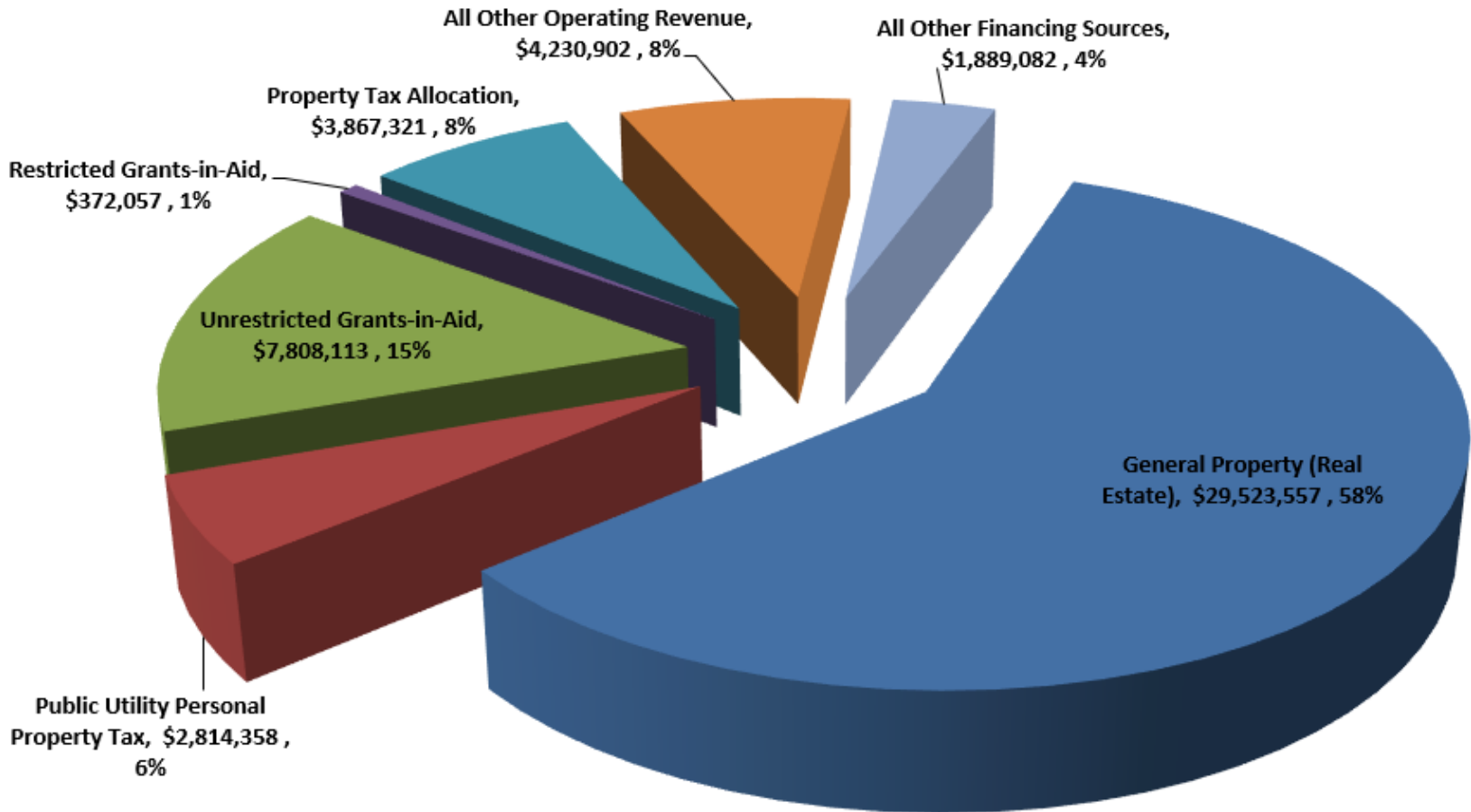
	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
Beginning Balance	19,225,351	22,175,311	22,990,776	22,073,754	19,402,435
Total Revenues	50,505,390	48,718,556	48,938,176	49,295,873	49,749,494
Total Expenditures	47,555,430	47,903,091	49,855,197	51,967,193	52,775,313
Revenue Surplus or Deficit	2,949,960	815,465	(917,021)	(2,671,319)	(3,025,819)
Ending Balance	22,175,311	22,990,776	22,073,754	19,402,435	16,376,616

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# Revenue



Note: Based on fiscal year 2022 projected revenue.

Total: \$50,505,390

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# Current Levies

## ● 2020 Tax Year / 2021 Collection Year

Levy	Effective Tax Rate
Inside Millage	4.80
1976 – Current Expense (33.10 Mills Cumulative)	11.81
1980 – Current Expense (4.50 Mills)	2.28
1986 – Current Expense (4.90 Mills)	2.71
2009 – Substitute Levy (4.59 Mills)*	4.16
2017 – Current Expense (4.90 Mills)	4.51
<b>Total General Fund Millage</b>	<b>30.27</b>
2016 – Permanent Improvement (2.50 Mills)**	2.30
2016 – Phase I Debt (Originally 1.92 Mills)	1.58
<b>Total Millage</b>	<b>34.15</b>

\*Originally a 2004 Five Year Emergency Levy that was converted to a Substitute Levy for tax year 2009.

\*\* Replaced expiring 1.89 mill PI levy and expired 1993 0.85 mill Bond Issue

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# Comparison of Residential Tax Rates

District	Effective Tax Rate TY2020/CY2021
Wickliffe	63.81
Willoughby-Eastlake	51.90
Painesville City*	47.18
Fairport Harbor	47.17
Kirtland	40.42
Mentor	38.25
<b>Riverside*</b>	<b>34.15</b>
Madison*	32.02
Perry*	21.52

\* Effective rates do not include the Lake County School Financing District: 2.27 mills

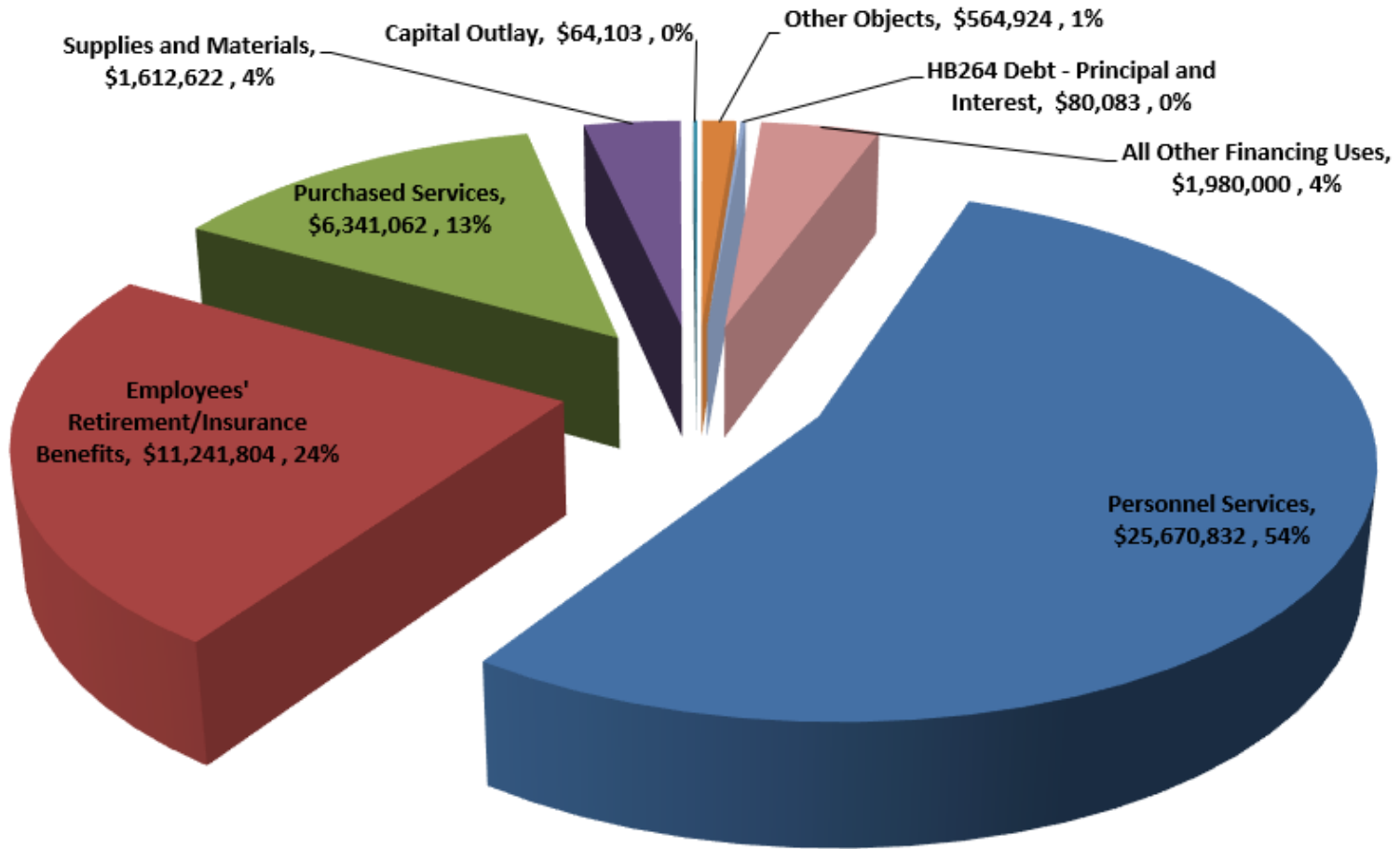
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# Expenditures



Note: Based on fiscal year 2022 projected expenditures.

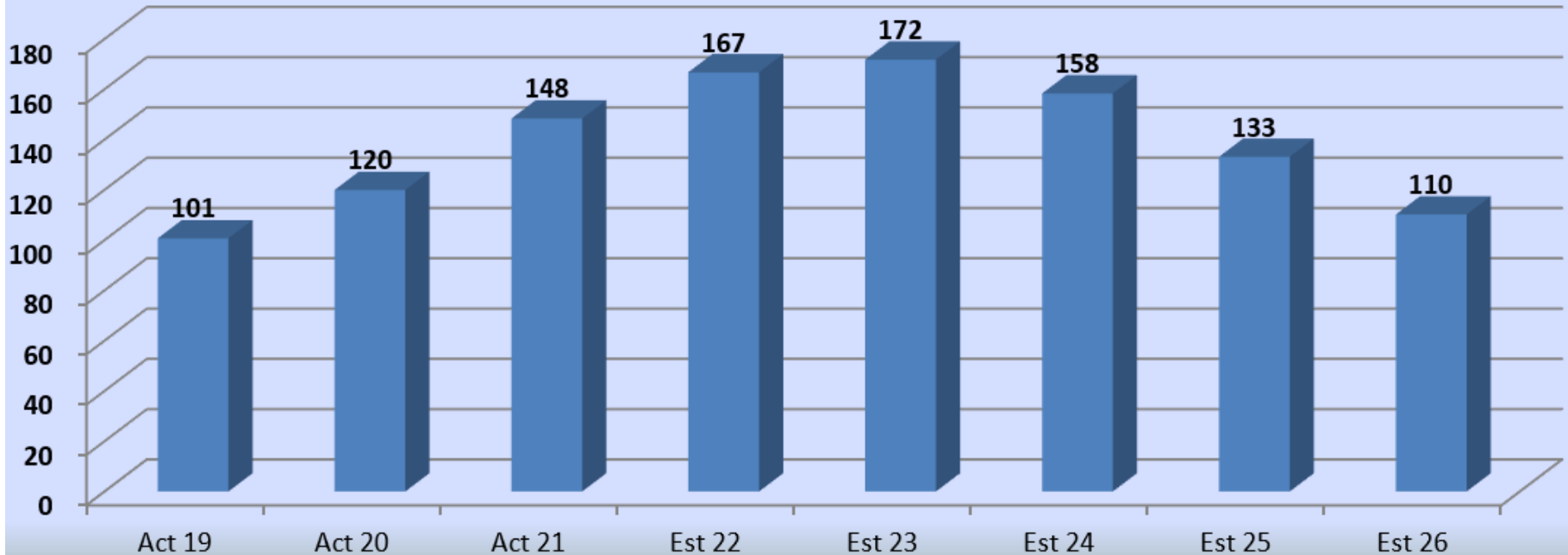
Note: Fair School Funding Plan materially reduced Purchased Services

Total: \$45,555,430

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## Ending Cash Balance in True Cash Days



ODE recommends maintaining at least a 30-60 day cash balance.

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# What Could Change?

- Revenue:

- Property Taxes – Triennial Valuation Update
- Property Tax Collections – Potential Commercial Delinquencies
- State Biennium Budget – Detailed calculations of the Fair School Funding Plan in effect beginning FY2022 (current fiscal year) are still unknown and expected to be released in December
  - Current forecast based on projections released by the Legislative Services Commission

- Expenditures

- Staffing Levels (COVID-19, custodians, aides, retirements)
  - Staffing needs and shortages
- Future Health Care Rates / Plan Changes / Premium Holidays
- Purchased Services (Community Schools, Open Enrollment, Scholarships)
  - Effects of the Fair School Funding Plan

