



Five Year Forecast

November
2024

Strategic Plan

Student Achievement

Social-Emotional Development

Diversity & Equity

Financial Stability

Culture of Trust



Strategic Objectives

- Encourage continuous two-way communication in our community on **how** our schools are funded, **how** funds are spent and what is **needed** to provide **educational services**
- **Align** District resources with instructional priorities
- **Partner** with the community to develop a transparent **funding cycle**



Our Community ~ Strong Schools

2017 Emergency Levy ~ \$7.3M

Expires in 2027*

2019 Emergency Levy ~ \$11.3M

Expires in 2029*

*Used for current operations ~
need to maintain revenue and/or reduce operations*

** - final year collected*





OPERATIONS



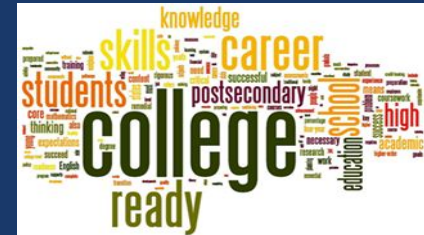
INSTRUCTION

#568 teachers

15 instructional coaches

18 intervention specialists

\$ 67,014,863 *annual budget*



STUDENT SUPPORTS



- # 22 counselors
- # 12 deans
- # 2 media specialist
- #146 assistants
- # 16 nurses
- # 4 security
- # 1 social worker

\$25,344,764 annual budget



TRANSPORTATION

#75 drivers & assistants

- 358 routes
- 3 tiers ~ 6,446 miles daily

4 mechanics

#4,720 students

- 1,195 non-public
- 3,525 NWLSD

\$6,271,948 annual budget



CUSTODIAL & MAINTENANCE

#47 custodians

8 maintenance

#16 buildings

1,344,366 square feet

- Level 3 cleaning

\$10,144,056 *annual budget*



TECHNOLOGY

#6 tech's

#9,554 student devices

#1,150 staff devices

565 interactive devices

\$1,872,058 *annual budget*



COMMUNICATION

Continuous Communication

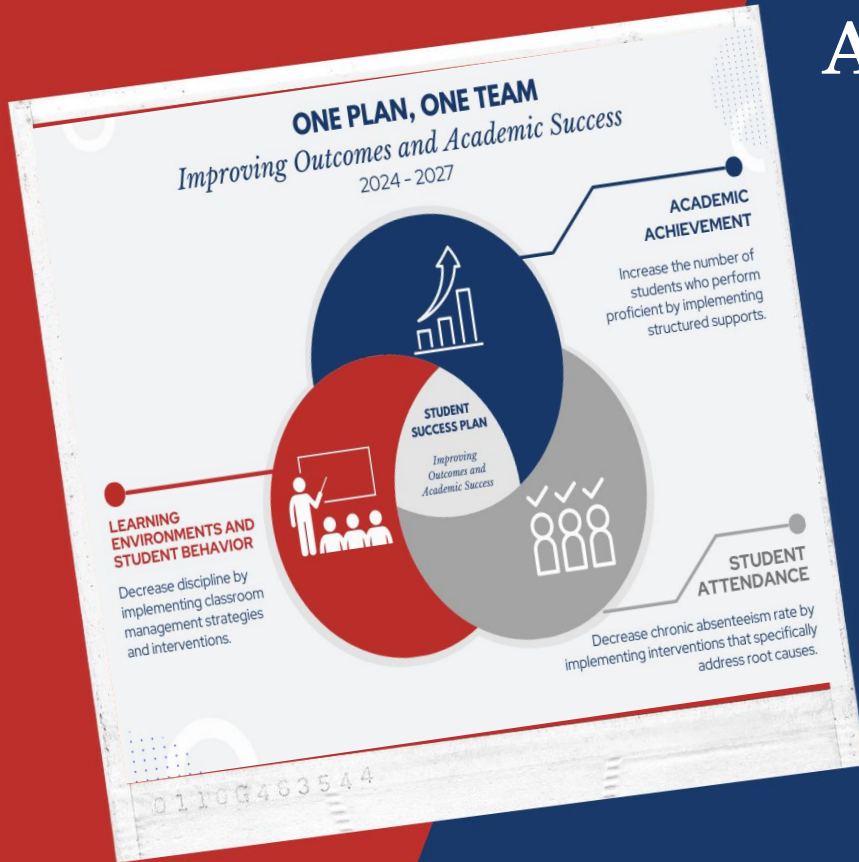
- Annual Budget Document
- November and May (update)
 - Five-Year Forecast and Notes
- PAFR
- ACFR/Financial Statements

To inform our Community about:

- how our schools are funded;
- how funds are spent; and
- what is needed to provide educational services



Annual Budget Document



- How Funds Are Allocated And Spent
- Aligns Resources With Our Instructional Priorities
- Long Term Financial Health and Upcoming/Ongoing Levy Cycles
- Measured Improvement In Three Areas for 2021-24
- 2024-27 One Plan Improvement Goals

Colerain High School

Year 1 Progress (SY 21-22)	Year 2 Progress (SY 22-23)	Year 3 Progress (SY 23-24)
Progress Star Rating ★★☆☆	Progress Star Rating ★★★★★	Progress Star Rating TBD
Algebra - 38.6% American Government - 69.8% US History - 64.4% Biology - 52.1% ELA II - 50.9% Geometry - 29.8%	Algebra - 38.4% American Government - 65.9% US History - 67.8% Biology - 51.9% ELA II - 55.4% Geometry - 30.2%	<i>Final data for these measures will be available on the 2023-24 School Report Card that is scheduled for release in the Fall of 2024.</i>



	Funding Source			
	Positions	General Fund	Federal Grant	State Grant
Total Personnel Budget	148.5	\$ 11,602,067.42	\$ 449,109.78	\$ -
Building Budget		\$ 59,225.00		
Central Operations Budget		\$ 1,009,085.50	\$ -	\$ -
Extra & Co Curricular Supplemental Budget		\$ 363,165.00	\$ -	\$ -
Total School Budget		\$ 13,033,542.92	\$ 449,109.78	\$ -





FACILITIES



FACILITIES

- Five buildings over 50 years old need replaced
- Safety and security upgrades
- Any renovations require building brought to current codes & ADA compliant
- \$35 million in deferred maintenance
 - not including CE & CM
- Middle Schools over capacity ~ utilizing all spaces for instruction

COLERAIN ELEMENTARY

- OFCC CFAP Segment #1
 - \$20 million

- *No Bond Issue*





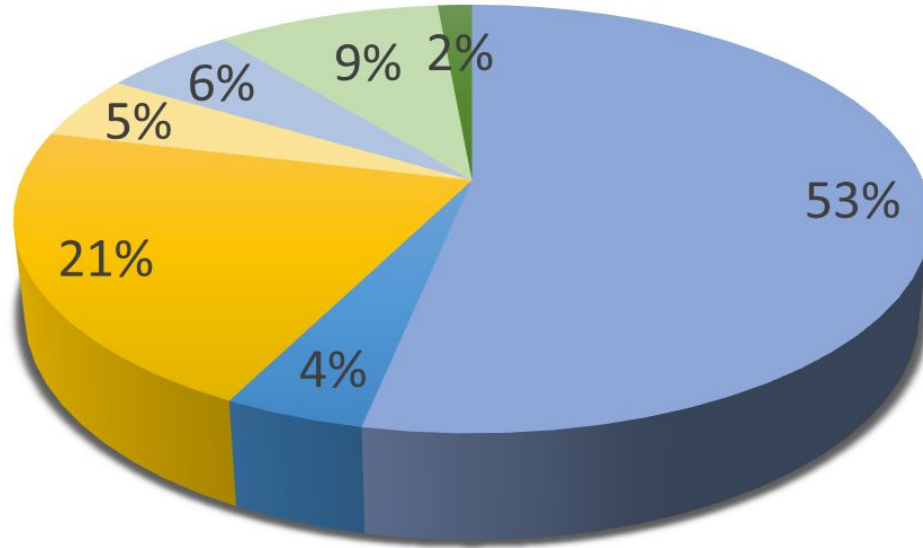
Various Buckets of Money





REVENUES

General Fund Revenue



- General Property Tax (Real Estate)
- Unrestricted State Grants-in-Aid
- State Share of Local Property Taxes
- Total Other Financing Sources

- Tangible Personal Property Tax
- Restricted State Grants-in-Aid
- All Other Revenues

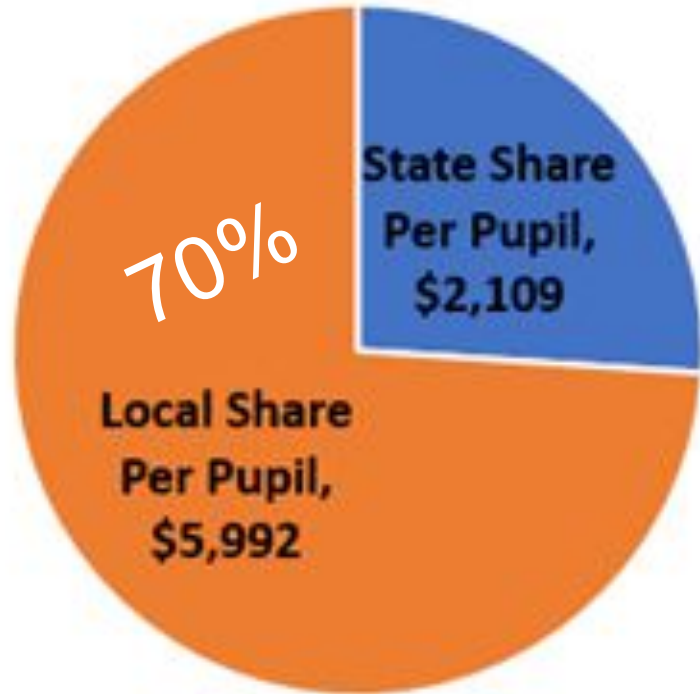


Revenue Changes

- 2023/2026 update/reappraisal year for tax valuations
- Interest Rates ~ additional \$1.4M in FY24
 - Reducing rates



State vs Local



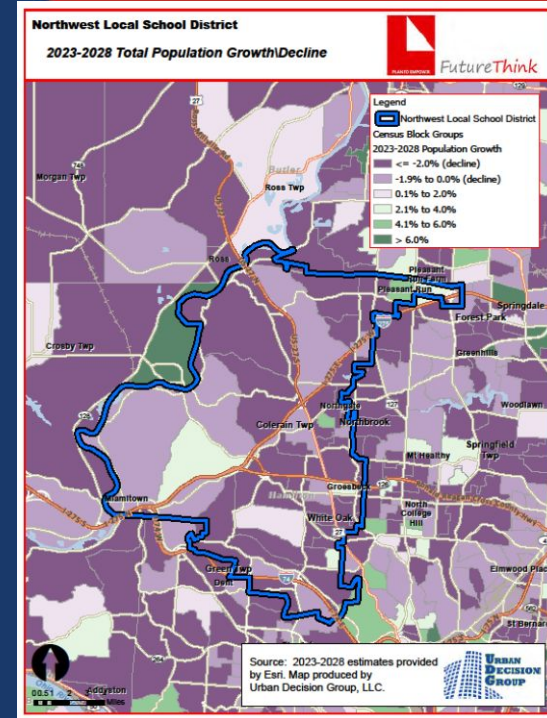
State Guarantee

Guarantee Amounts Included in Bottom Line State Formula Funding

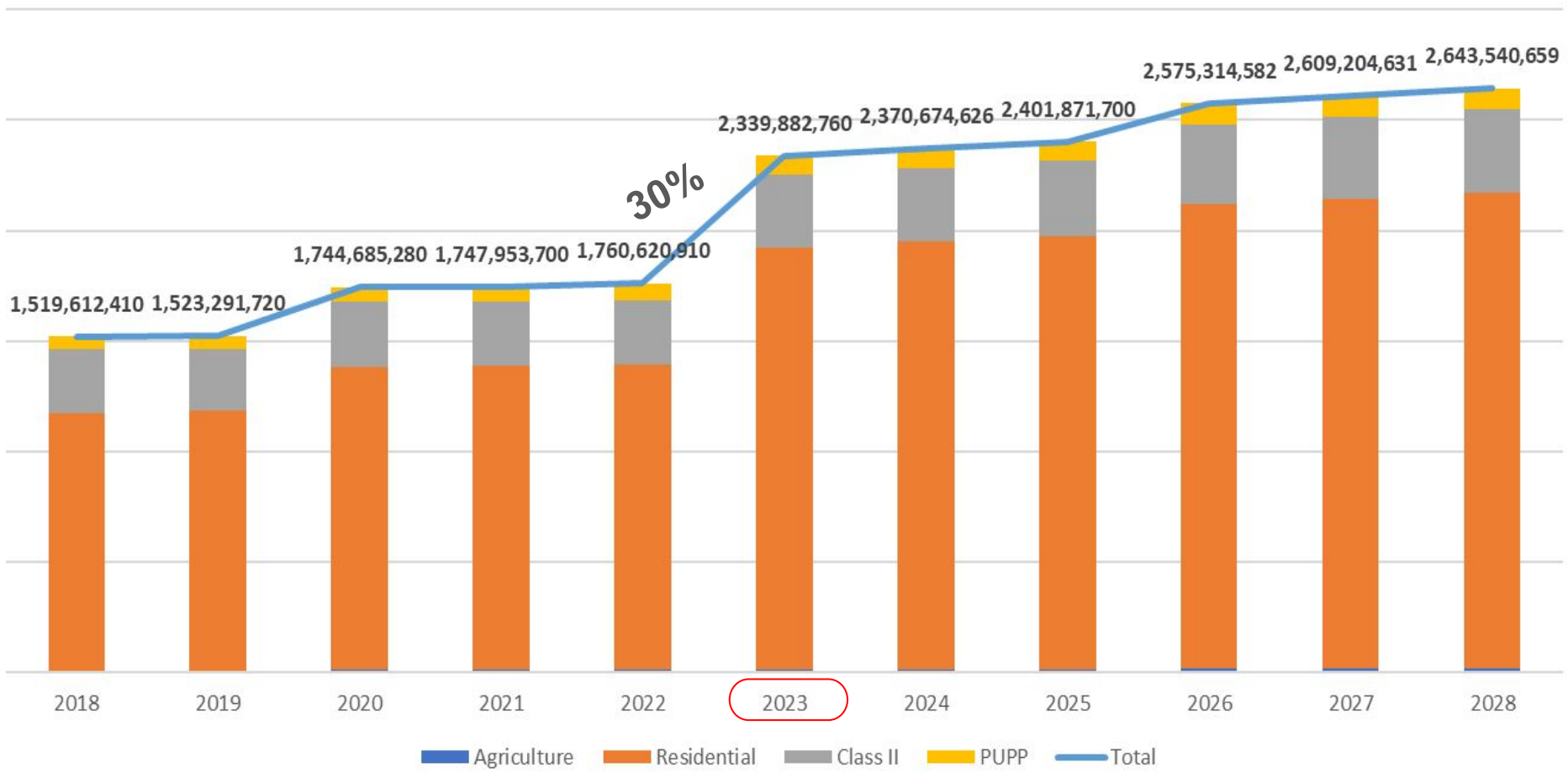


State Guarantee

- Increase in local property valuations
- Increase in local income
- Aging community = fewer students
- FY 2020 Guarantee
 - 600 students educated elsewhere (funding no expense)



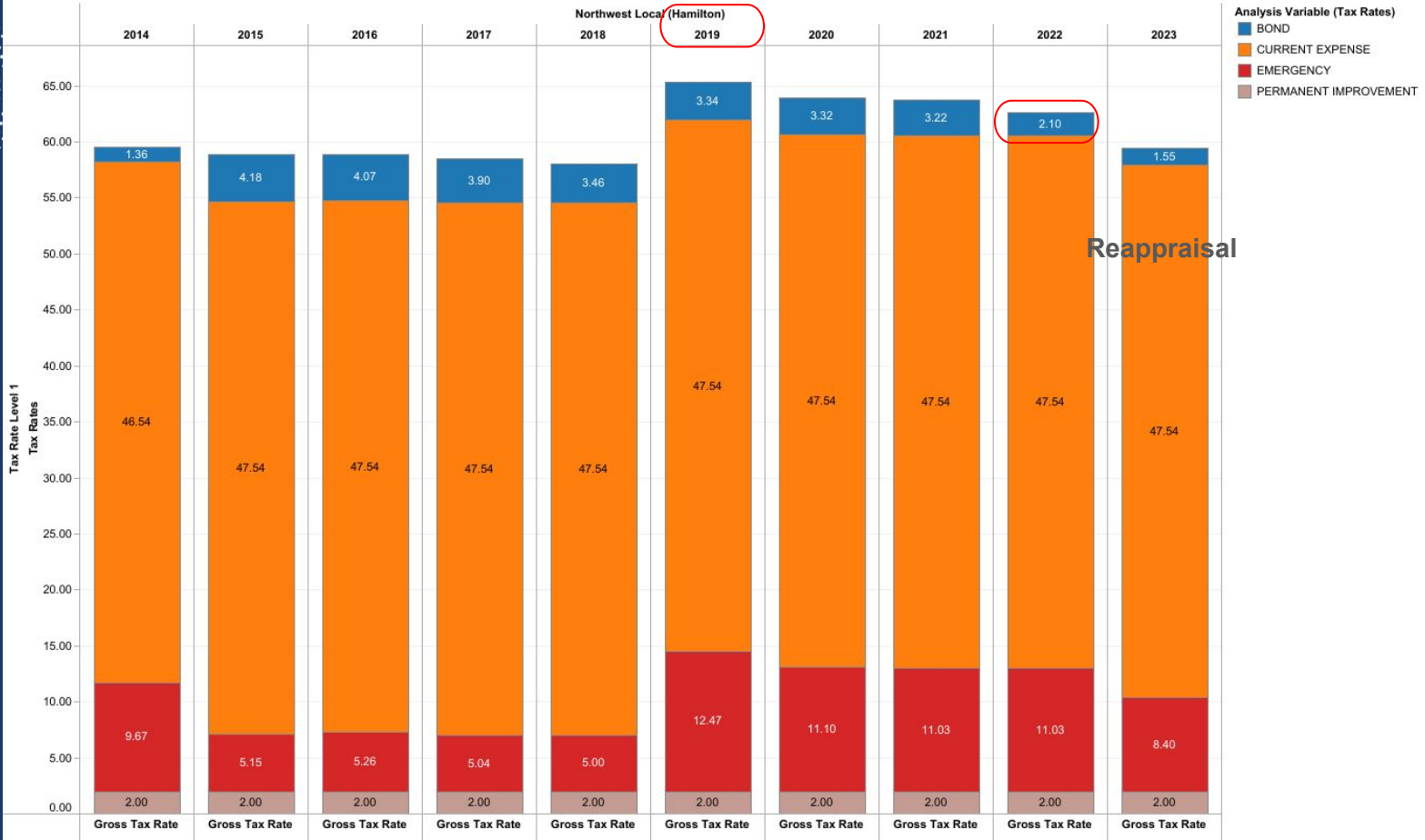
District's Property Values by Tax Year





Tax Rates

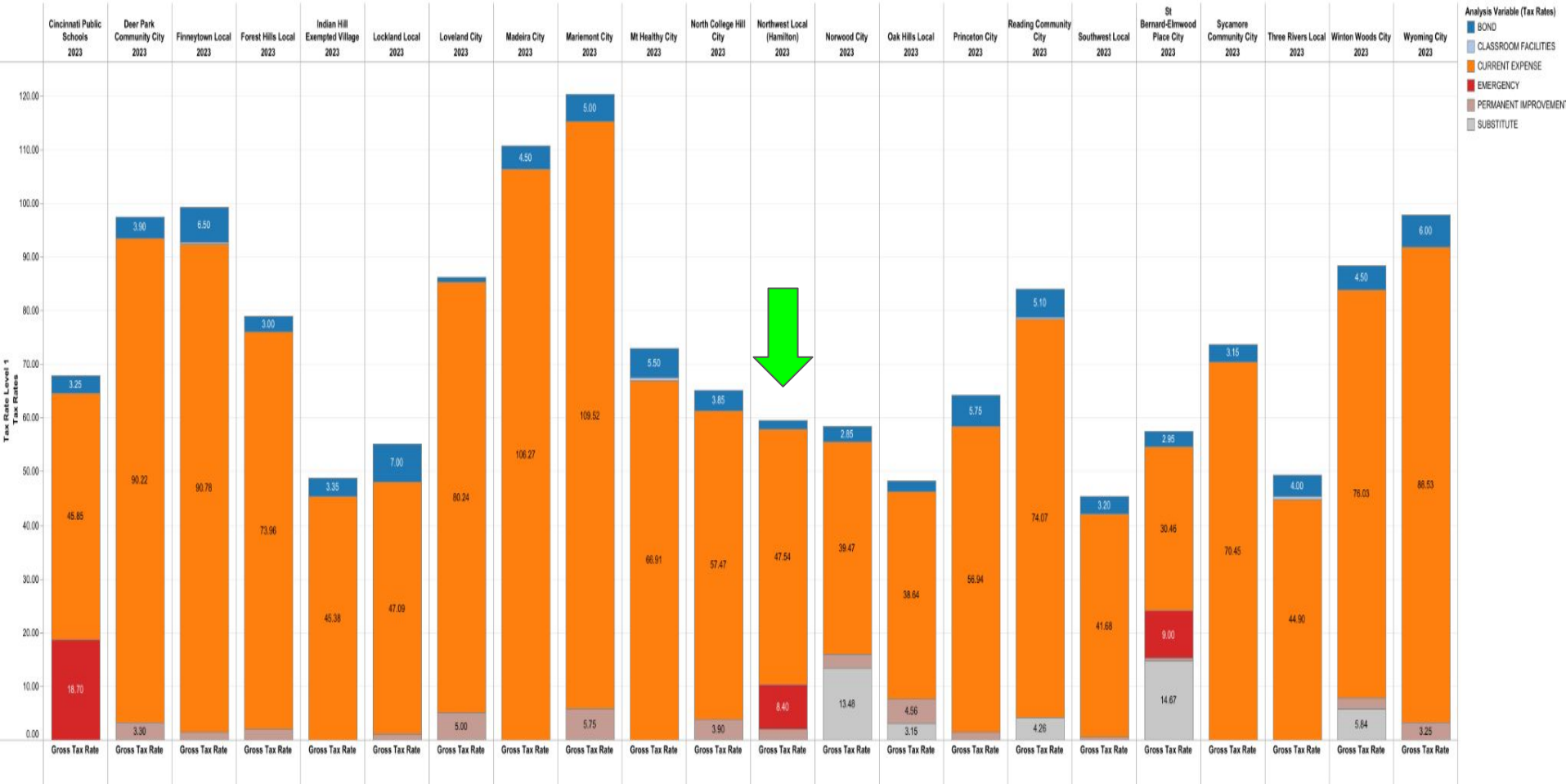
Source: Ohio Department of Taxation



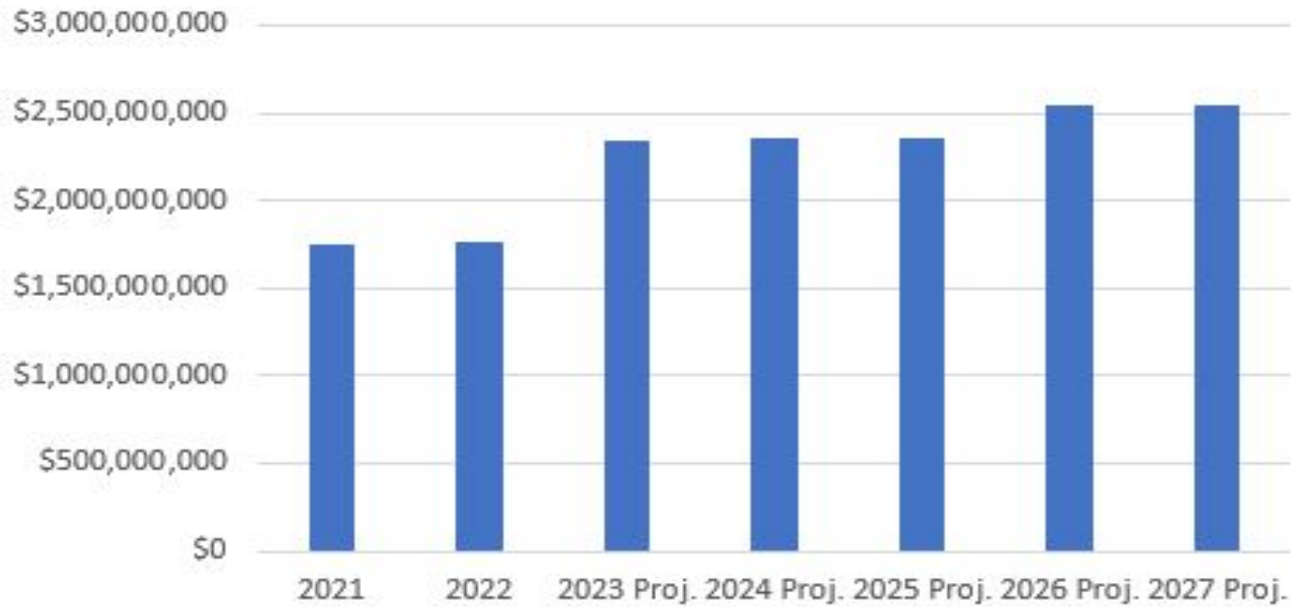
Reappraisal

Tax Rates

Source: Ohio Department of Taxation

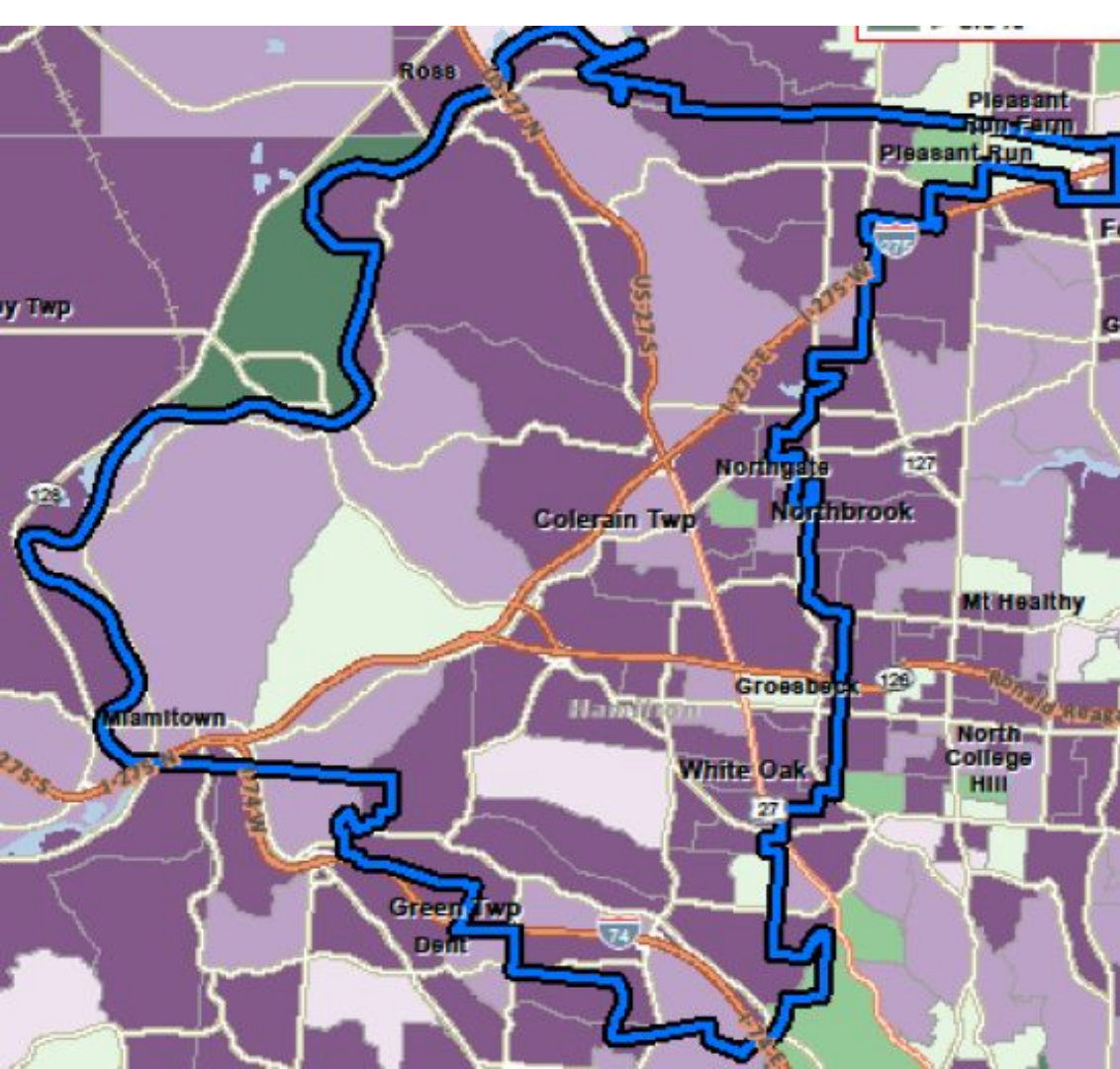


Federal Adjusted Gross Incomes



State estimates used in state funding projections






Legend





Northwest Local School District


Census Block Groups


2023-2028 Population Growth

 $\leq -2.0\%$ (decline)

 -1.9% to 0.0% (decline)

 0.1% to 2.0%

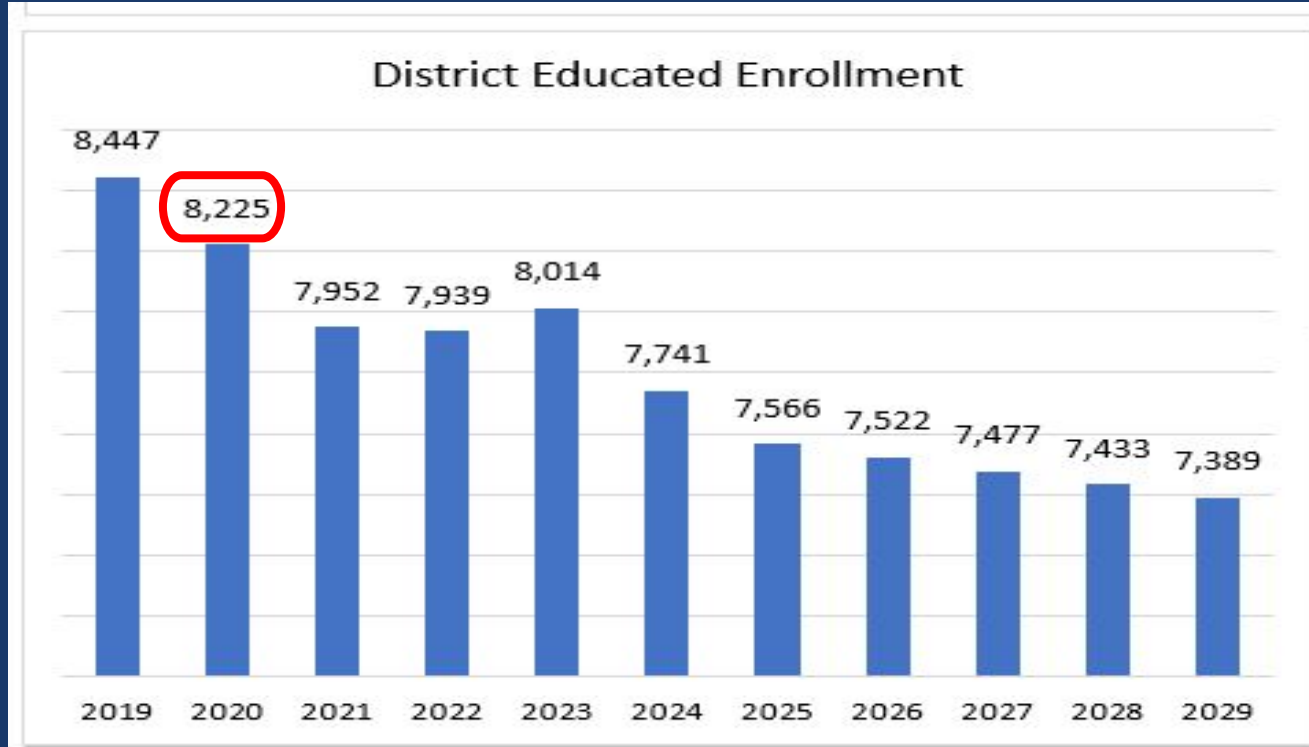
 2.1% to 4.0%

 4.1% to 6.0%

 $> 6.0\%$



State vs Local



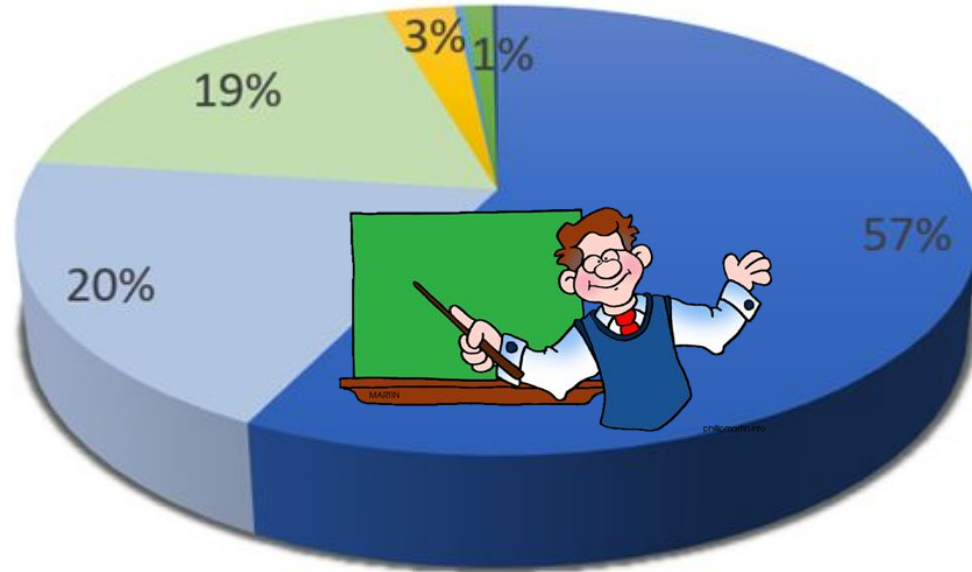
Thru FY2020 ~ 600 students educated elsewhere





EXPENDITURES

General Fund Expenditures



- Personal Services
- Employees' Retirement/Insurance Benefits
- Purchased Services
- Supplies and Materials
- Capital Outlay
- Other Objects
- Total Other Financing Uses



Expenditure Changes

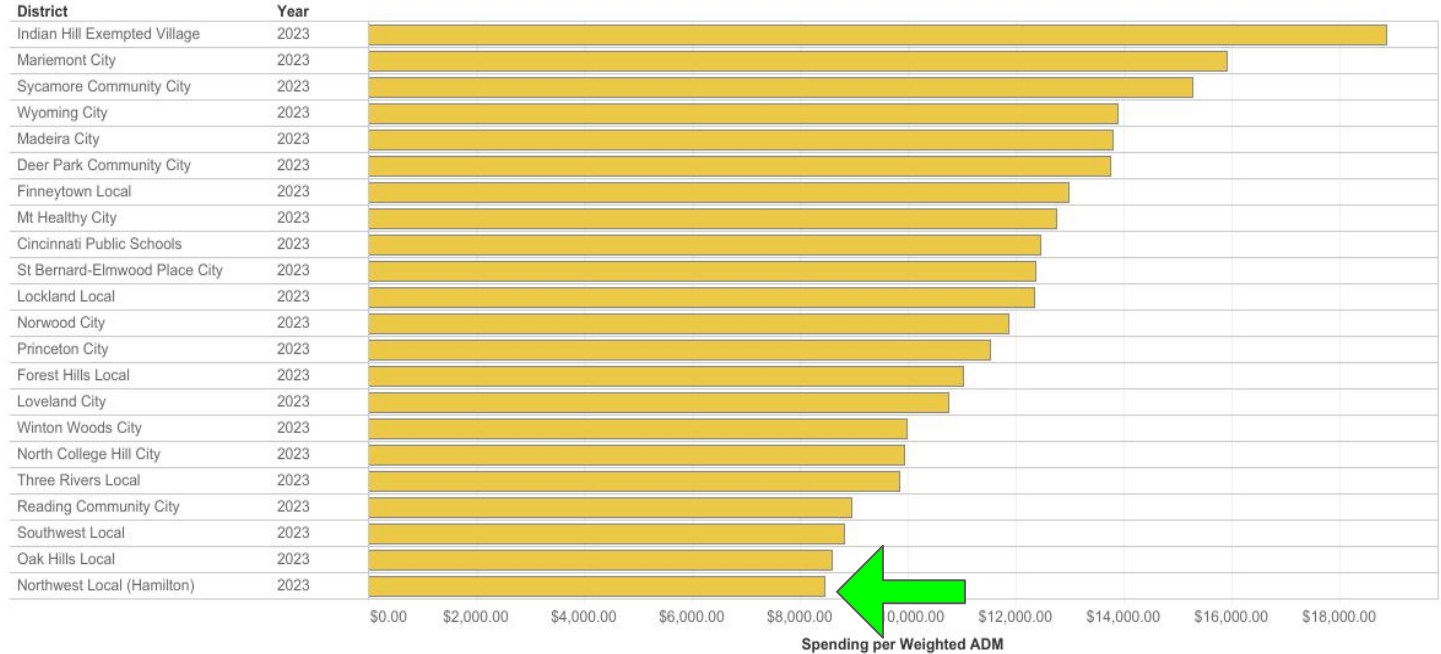
- Negotiated items
- Purchased Services
 - increase in special needs services
 - one-time projects above the 3% partnership
- Increase in Foster and Homeless Student Transportation
- State mandates and One Plan goals
- Other ~ auditor/treasurer fees (reappraisal valuation changes)





Per Pupil Spending Comparison - Weighted ADM

Source: ODE - Annual Financial Reports (Cash Basis) and Fiscal Benchmark Report



Display by
■ 2023

Spending per Weighted ADM



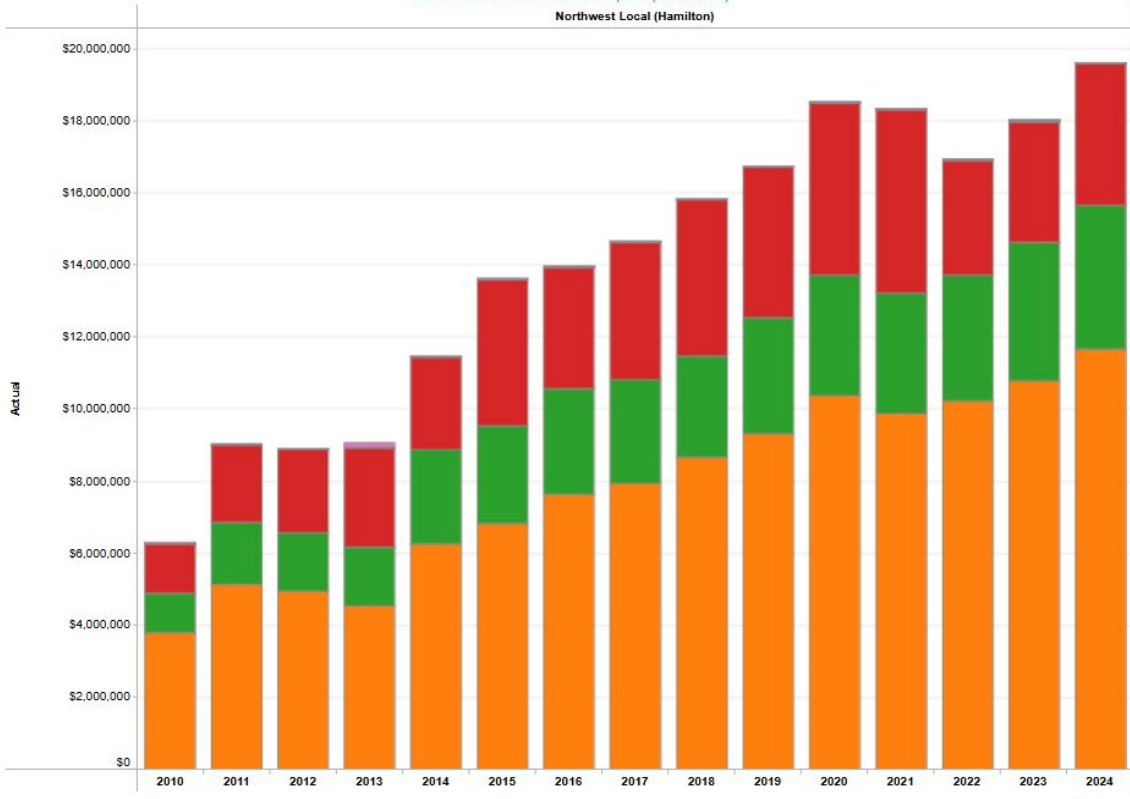
Special Education Trend

Expenses Bar Chart

By: Object

Source: ODE Annual Financial Reports (Cash Basis)

Northwest Local (Hamilton)



20%
overall
budget

Analysis Type (Expense)

- 800 other objects
- 600 capital outlay
- 500 supplies and materials
- 400 purchased services
- 200 employees retirement and insurance bene...
- 100 Personal services -employees salaries an...

10%
overall
budget



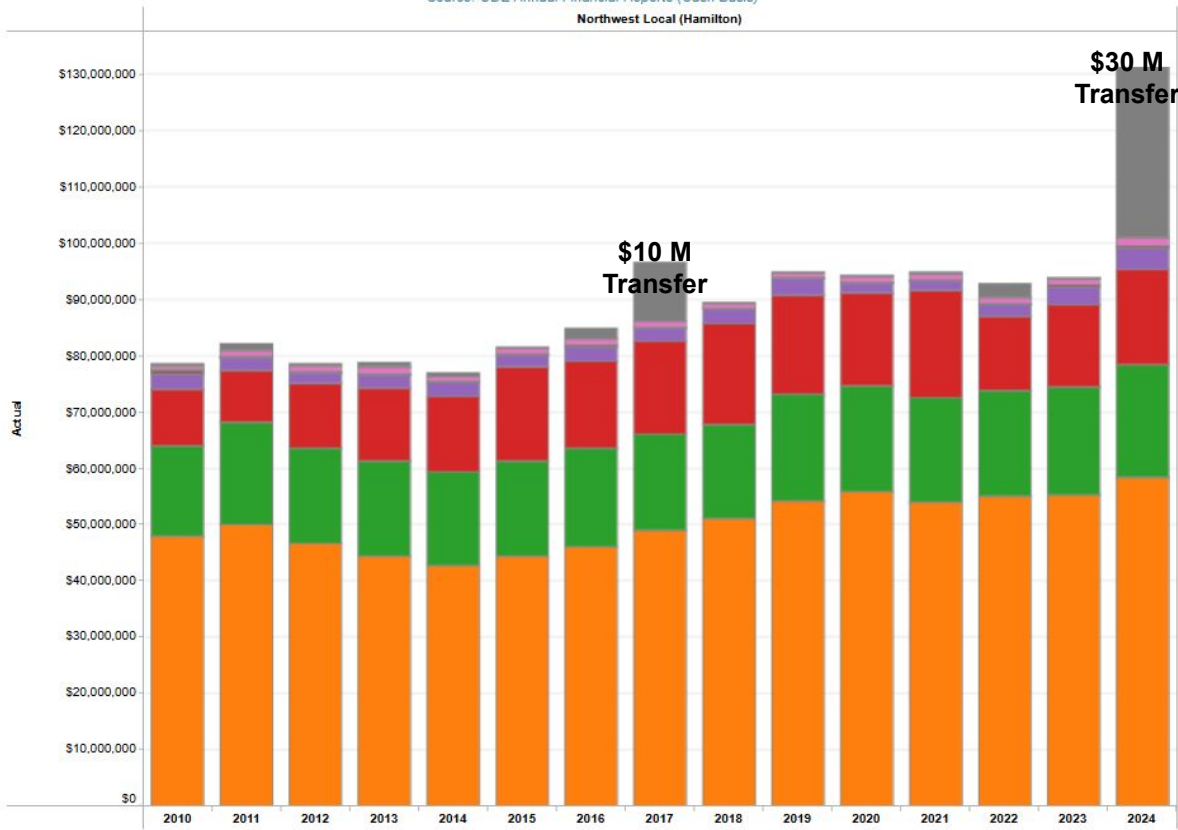
Total Operations

Expenses Bar Chart

By: Object

Source: ODE Annual Financial Reports (Cash Basis)

Northwest Local (Hamilton)



**20%
increase**

- Analysis Type (Expense)
- 900 other uses of funds
 - 800 other objects
 - 700 Capital Outlay - Replacement
 - 800 capital outlay
 - 500 supplies and materials
 - 400 purchased services
 - 200 employees retirement and insurance b...
 - 100 Personal services -employees salaries...

Resolution of District Financial Parameters and Community Partnership

WHEREAS, on May 23, 2019 the Northwest Local Board of Education approved a 5-year General Operating Fund budget forecast reflecting an operating deficit resulting in an insufficient cash reserve; and;

WHEREAS, on September 26, 2016 the Northwest Local Board of Education approved a Cash Balance Reserve Policy #6220.01.

WHEREAS, the Northwest Local Board of Education will continue to monitor the use of parameters on expenditures as set by this policy, and continued utilization of these parameters through fiscal year 2023 (2022-2023 school year), and;

WHEREAS, the Northwest Local Board of Education has not requested an additional tax levy for operations since 2007, which is currently a twelve year span since a request for additional taxes for the day-to-day operations of our schools, and;

WHEREAS, the Northwest Local Board of Education has requested approval of a 7.5 mill Emergency operating levy on November 5, 2019 and has committed that this levy will last at least 3 years, and

Passed again on November 15, 2021 and November 20, 2023



Resolution of District Financial Parameters and Community Partnership

WHEREAS, on November 20, 2023 the Northwest Local Board of Education approved a 5-year General Operating Fund budget forecast reflecting an operating deficit resulting in an insufficient cash reserve; and;

WHEREAS, on September 26, 2016 the Northwest Local Board of Education approved a Cash Balance Reserve Policy #6220.01.

WHEREAS, the Northwest Local Board of Education will continue to monitor the use of parameters on expenditures as set by this policy, and continued utilization of these parameters through fiscal year 2028 (2027-2028 school year), and;

WHEREAS, the Northwest Local Board of Education has not requested an additional tax levy for operations since 2019 for the day-to-day operations of our schools, and;

WHEREAS, the Northwest Local Board of Education committed that this 2019 7.5 mill levy would last at least 3 years, and;

WHEREAS, the Northwest Local Board of Education has projected a 5 mill Emergency operating levy in Fiscal Year 2028 and has committed that this levy will last at least 5 years, and

3% Partnership has allowed to extend from 3 to 8 years !!!





1. Continue the utilization of financial parameters
2. Continue its commitment to student achievement
3. Evaluate the condition of its facilities to maintain the community's investment in them, as well as, the need for technology infrastructure and equipment to provide tools to teach 21st Century skills to Northwest's students, utilizing cash reserves prudently to meet identified needs in these areas.

CASH BALANCE POLICY

- Protects community and staff from unexpected changes in the economy (state cuts, recessions, inflation)
- **One-time expenditures** (disasters, capital needs)
- Investment income and bond ratings (generate revenue and save community money)



CASH BALANCE POLICY

- **One-time expenditures (disasters, capital needs)**
 - Colerain Elementary (remove and secure outer brick)
 - Colerain Middle (parapet)
 - Preschool renovation
 - Relocate Central Supports Offices

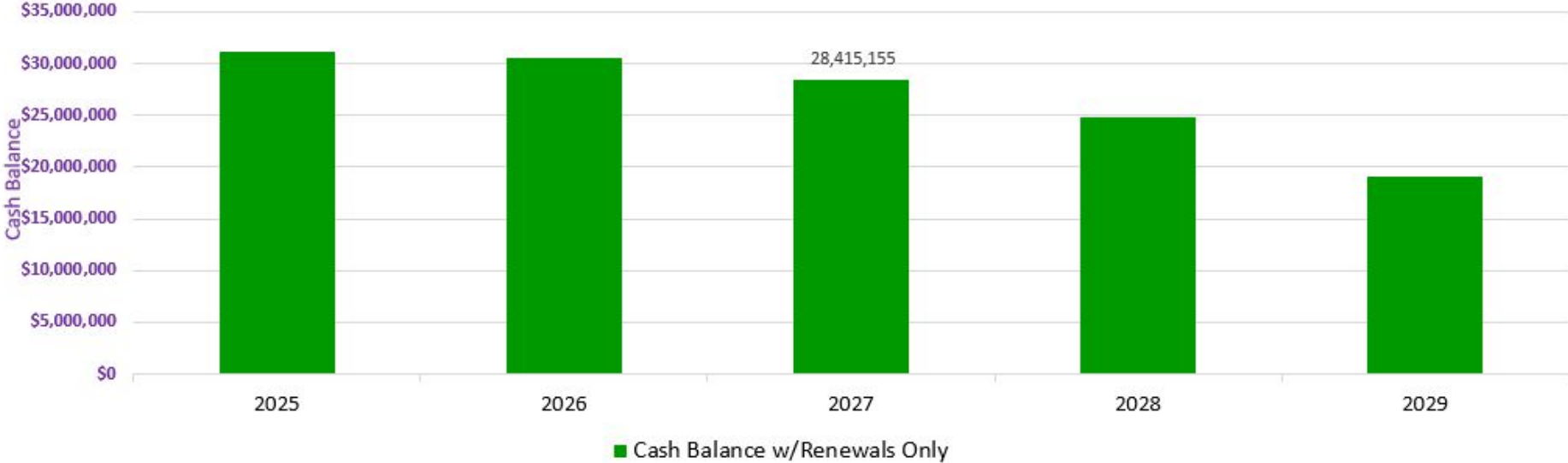


Unreserved Fund Balance

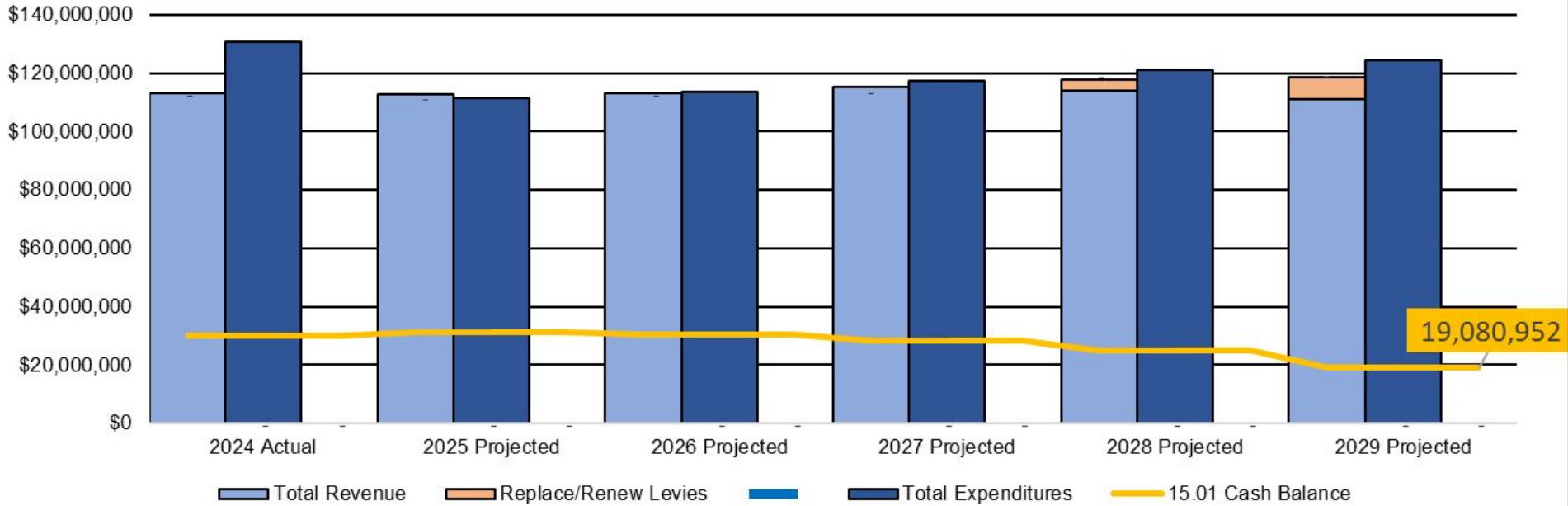
- Fund Cash Balance Policy #6220.01
 - 60 days
- Timing of Levy Cycle
 - 5 year/5 mill operating levy cycle



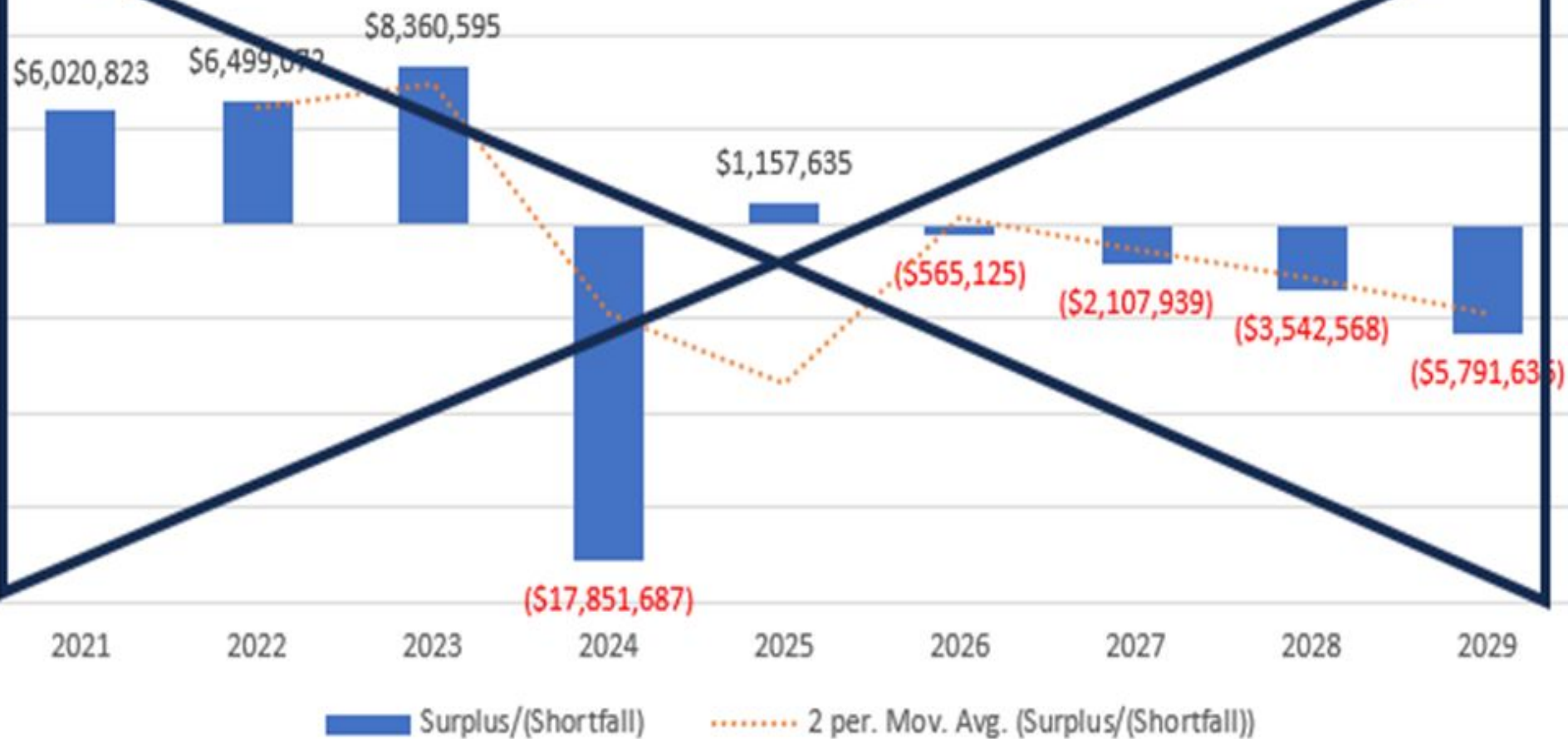
Cash Balance



Projected Revenue, Expenditures, and Cash Balance



Annual Revenue Surplus/(Shortfall) by FY



Financial Forecast

	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
Beginning Balance (Line 7.010) Plus Renewal/New Levies Modeled	29,930,586	31,088,221	30,523,096	28,415,156	24,872,589
+ Revenue	112,740,387	113,011,531	115,450,656	113,864,400	111,124,524
+ Proposed Renew/Replacement Levies	-	-	-	3,764,180	7,528,360
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(111,582,752)	(113,576,657)	(117,558,595)	(121,171,148)	(124,444,520)
= Revenue Surplus or Deficit	1,157,635	(565,125)	(2,107,939)	(3,542,568)	(5,791,636)
Line 7.020 Ending Balance with renewal/new levies	31,088,221	30,523,096	28,415,156	24,872,589	19,080,952

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	1,157,635	(565,125)	(2,107,939)	(7,306,748)	(13,319,996)
Ending Balance w/o Levies	31,088,221	30,523,096	28,415,156	21,108,409	7,788,412

Our Community ~ Strong Schools

2017 Emergency Levy ~ \$7.3M

Expires in 2027*

2019 Emergency Levy ~ \$11.3M

Expires in 2029*

*Used for current operations ~
need to maintain revenue and/or reduce operations*

* - final year collected



FINANCIAL STABILITY

Maintain a strong foundation of financial stability that ensures an optimal learning experience for all.





Student
Achievement

Resource
Allocation

Operational
Efficiency



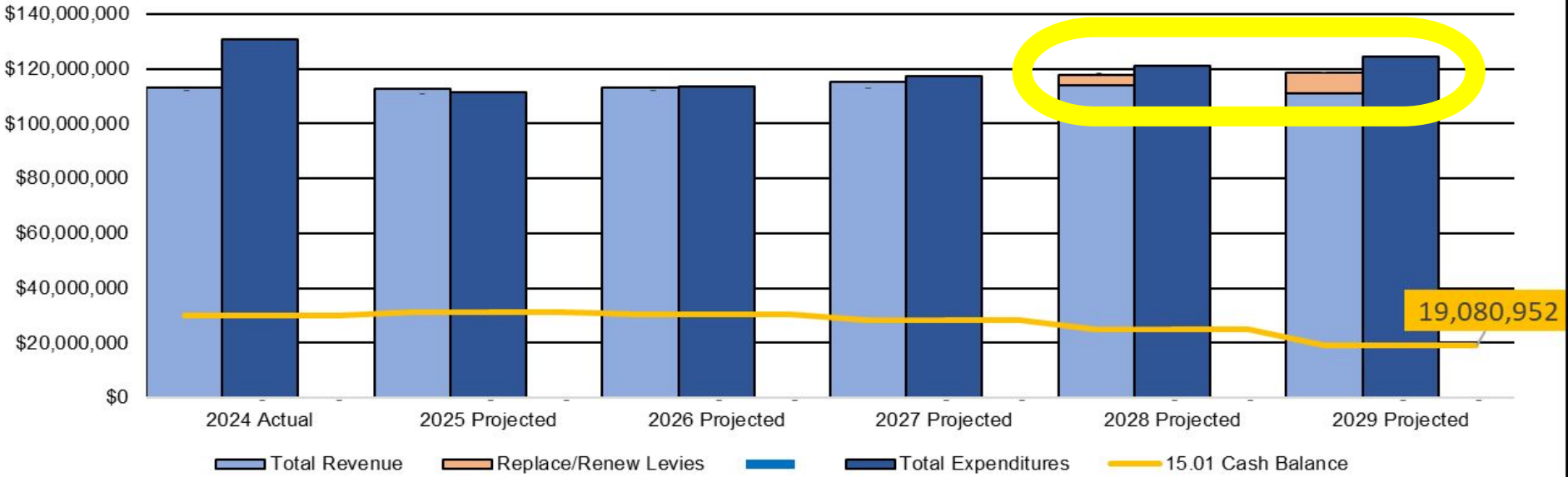


NEXT STEPS



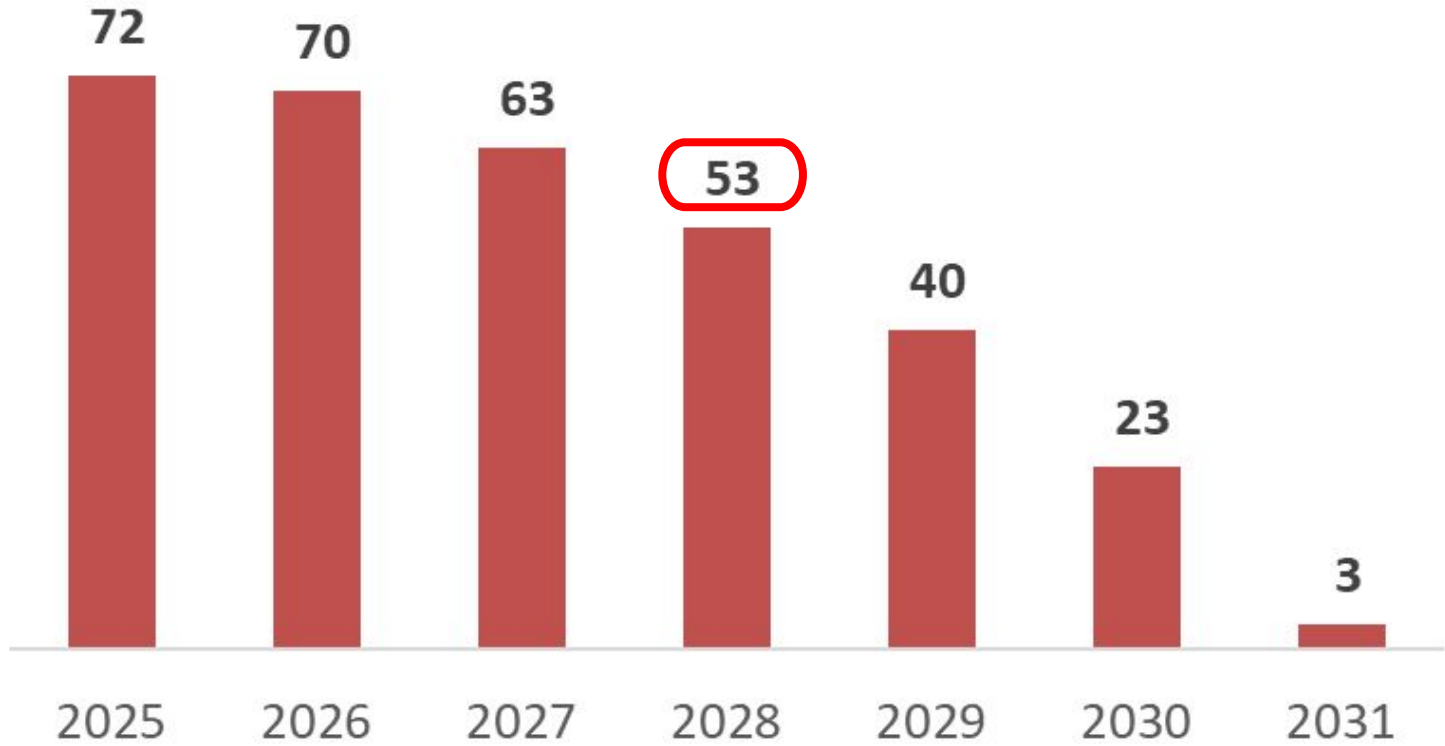
Funding Picture

Projected Revenue, Expenditures, and Cash Balance





Calendar Days Cash on Hand w/Renewals

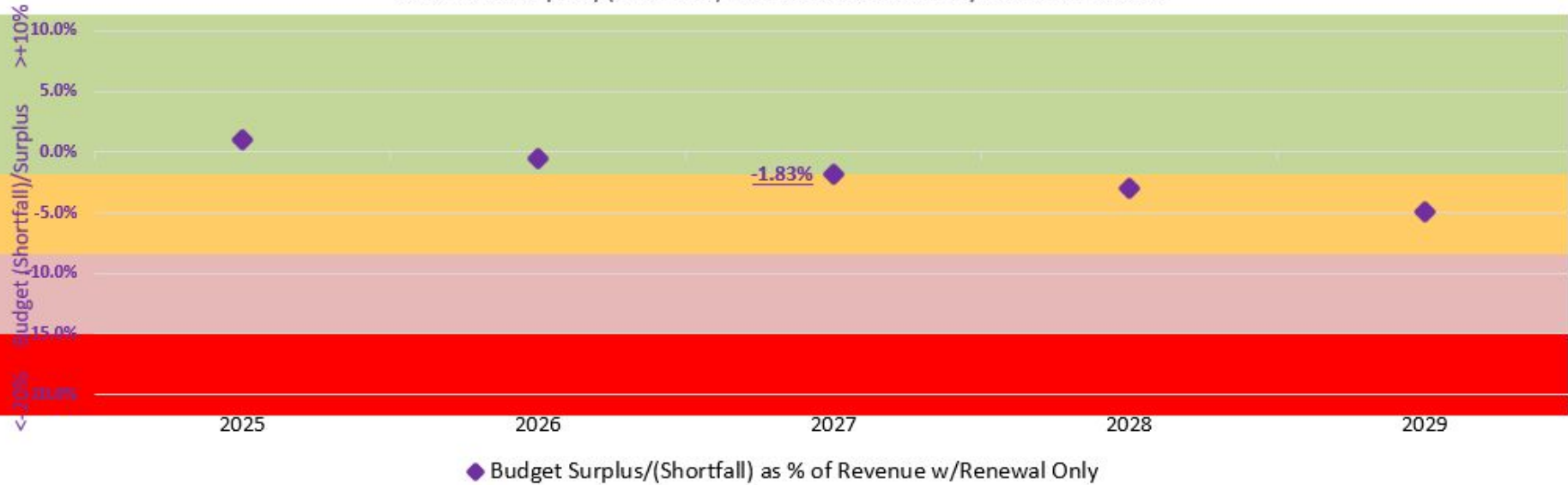


Upcoming Decisions

- Maintain and/or Reduce Day-to-Day Operations
 - 5 mill/5 year operating levy cycle
 - Cash Balance Policy #6220 ~ 60 days
- ORC authorizes Boards of Education, by resolution, to declare that it is necessary to levy a tax for the purpose of paying the current expenses
 - Renewals
 - New Levy
- Compounding effect
 - Sooner vs Later
 - Approve plan for reductions



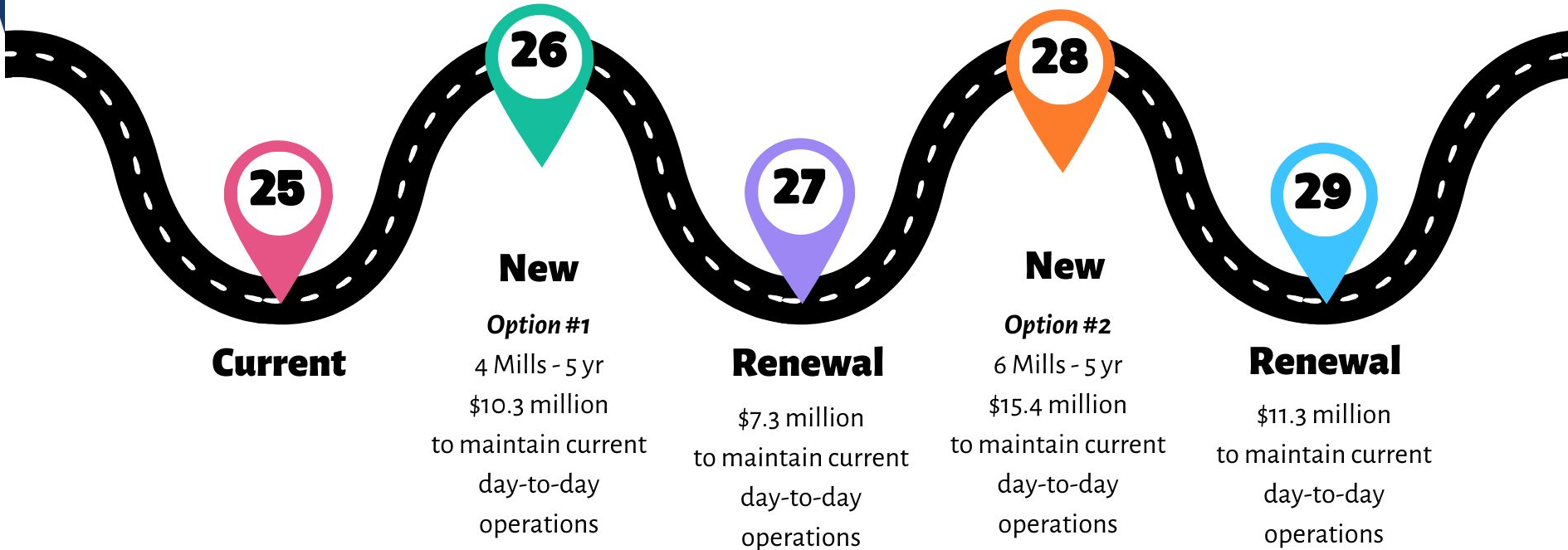
Revenue Surplus/(Shortfall) as a % of Revenue w/Renewal Levies



yellow (fiscal caution),
pink (warning),
red (fiscal emergency)



FUNDING OPTIONS





Questions



Recommendation

*The Treasurer and Superintendent recommend the Board of Education **approve** the November Five-Year Forecast and Assumptions as presented.*