



Bethel Local Schools

Five Year Forecast Financial Report

November, 2019

Brennon A. Hattery, CFO

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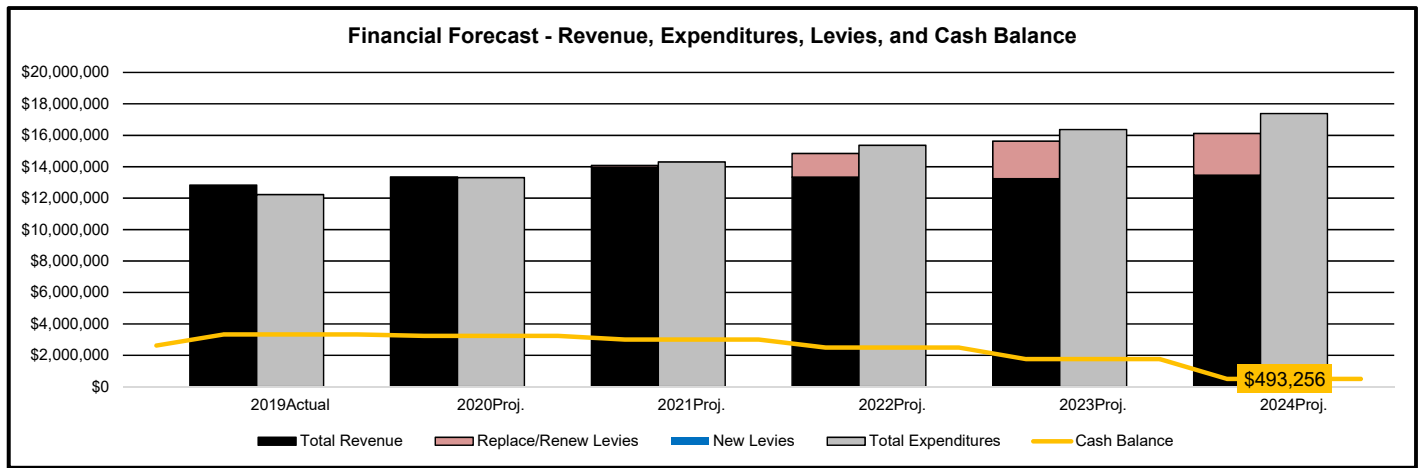
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Forecast Purpose/Objectives

Ohio Department of Education's purposes/objectives for the five-year forecast are:

1. To engage the local board of education and the community in the 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 school districts with potential financial problems.

Forecast Methodology - This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year and while cash flow monitoring helps to identify unexpected variances no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.



Bethel Local Schools

Financial Forecast

Financial Forecast	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Beginning Balance	3,499,682	3,531,682	3,300,226	2,788,228	2,054,617
+ Revenue	13,343,536	13,960,616	13,339,159	13,234,010	13,463,924
+ Proposed Renew/Replacement Levies	-	117,161	1,510,597	2,395,967	2,658,199
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(13,311,536)	(14,309,233)	(15,361,754)	(16,363,588)	(17,383,484)
= Revenue Surplus or Deficit	32,000	(231,456)	(511,998)	(733,611)	(1,261,361)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	3,531,682	3,300,226	2,788,228	2,054,617	793,256

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	32,000	(348,617)	(2,022,595)	(3,129,578)	(3,919,560)
Ending Balance w/o Levies	3,531,682	3,183,065	1,160,471	(1,969,107)	(5,888,667)

Bethel Local Schools is experiencing rapid growth due to a new development. The District is currently seeing an average increase of 8-10% in student enrollment each school year.

There are no new levies projected during this forecast period but there is a projected approval of earned income tax levy (renewal) and operating levy (renewal).

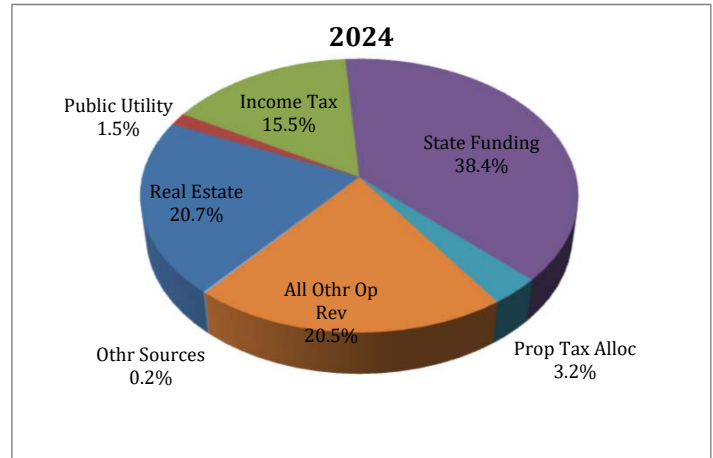
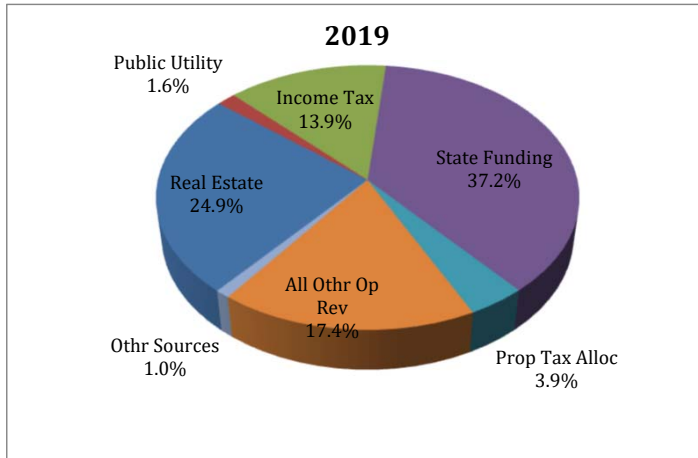
The District is projected to have deficit spending 4 of 5 years of forecast but will still have a positive ending cash balance at the end of FY2024.

Another way to look at ending cash is to state it in "True Cash Days." In other words, how many days could the district operate at year end if no additional revenues were received. This is the Current Years Ending Cash Balance divided by (Current Year Expenditures/ 365 days) = number of days the district could operate without additional resources or a severe resource interruption. The Government Finance Officers Association (GFOA) recommends no less than two (2) months or 60 days cash to be on hand at year end but could be more depending on each district's complexity and risk factors for revenue collection.

Based on projections, True Cash Days are as followed:

FY20=> 96 days, FY21=> 84 days, FY22=> 66 days, FY23=> 45 days, FY24=> 16 days

Revenue Sources and Forecast Year-Over-Year Projected Overview



**Projected % trends include renewal levies*

	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	
Revenue:							
1.010-Real Estate	-1.18%	-0.25%	1.50%	0.64%	0.72%	0.59%	0.64%
1.020-Public Utility	4.29%	2.15%	4.27%	2.95%	2.85%	2.42%	2.93%
1.030-Income Tax	8.37%	8.69%	9.85%	8.05%	8.01%	7.94%	8.51%
1.035-State Funding	10.92%	5.57%	4.37%	5.21%	5.40%	4.70%	5.05%
1.040-Restricted Aid	1087.99%	2.87%	16.67%	14.29%	12.50%	11.11%	11.49%
1.045-Restr Federal SFSF	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-1.56%	-0.28%	1.36%	0.44%	0.54%	0.49%	0.51%
1.060-All Other Operating	52.48%	7.11%	13.27%	11.04%	8.89%	0.00%	8.06%
1.070-Total Revenue	7.06%	4.47%	5.95%	5.49%	5.26%	3.15%	4.87%
2.070-Total Other Sources	28.46%	-37.83%	-68.75%	0.00%	0.00%	0.00%	-21.32%
2.080-Total w/Other Srcs	7.06%	4.04%	5.50%	5.48%	5.25%	3.15%	4.69%

Bethel Local Schools is experiencing rapid growth due to a new development. The District is currently seeing an average increase of 8-10% in student enrollment each school year. As a result of the rapid growth the District is receiving additional monies from the state. Also, as a result of the new development there is a TIF agreement. In FY 2019 this generated \$2.481 million. The Board passed a resolution in FY 2018 where 30% of the receipts from the TIF are posted into a capital project fund for a maximum of 10 years. Therefore, \$1.74 million was maintained in the General Fund.

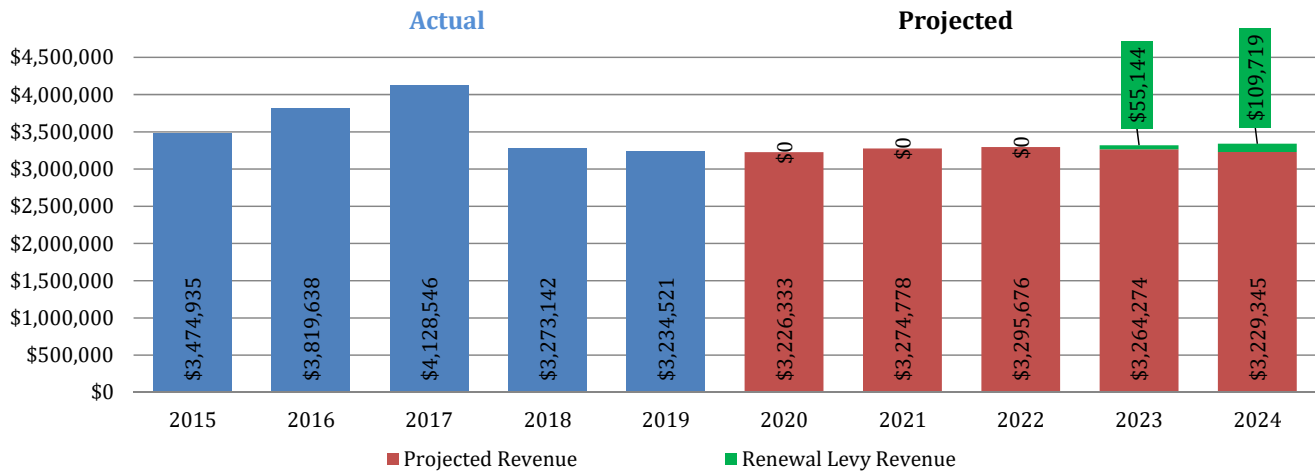
Overall, District Total Revenue is being projected to increase 4.87% each year over the next five years.

The Projection is being driven by:

- Income Tax Revenue which is expected to grow by approx. 8-9% in each year (based on being renewed)
- A State Funding increase due to increased enrollment, and
- The TIF agreement which is expected to provide \$1.975 million in FY 20 after 30% allocation to capital projects fund as the development continues to be completed. Based on history of the revenue growth, it is estimated that revenue will increase approx. 15% during the forecast years. It is anticipated that the development will be completed between 2 to 3 years from now and eventually the revenue will level off (projected in FY 24). The major TIF (Carriage Trails) is a 30 year TIF which was approved back in 2005.

1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total With Renewal Levies	3,234,521	3,226,333	3,274,778	3,295,676	3,319,418	3,339,064
YOY \$ Change	(38,621)	(8,188)	48,445	20,898	23,742	19,646
YOY % Change	-1.2%	-0.3%	1.5%	0.6%	0.7%	0.6%

Percentage of Total Revenue	25.2%	24.2%	23.3%	22.2%	21.2%	20.7%
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Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2018	149,898,340	1,684,020	24.76	(0.06)	26.35	(0.24)	100.6%
2019	155,299,665	5,401,325	24.17	(0.58)	25.72	(0.63)	100.0%
2020	155,855,564	555,899	24.21	0.04	25.87	0.15	100.0%
2021	157,063,569	1,208,005	24.19	(0.02)	25.79	(0.08)	100.0%
2022	159,203,569	2,140,000	24.01	(0.18)	25.90	0.11	100.0%
2023	160,018,569	815,000	24.00	(0.01)	25.82	(0.08)	99.9%

There are no new levies projected during this forecast period but there is a projected approval of operating levy (renewal). Prior fiscal years receipts included TIF revenue. From FY 18 and on, TIF revenue is posted to line 1.06 All Other Revenue.

Miami County will have a reappraisal of property during 2019. Due to HB49, it is anticipated to see reduction in CAUV agricultural values. CAUV values represent 8.3% of Class 1 residential agricultural values. The new computation has resulted in values falling on average between 25-30% from other counties that have gone through a reappraisal or update. This will cause a shift in taxes from agricultural taxpayers to residential taxpayers but should not result in lower taxes to the district. It is anticipated that there will be modest growth on residential property during this time.

As of Calendar Year 2018, the District was at 21.21 mills. Ohio law states that a district can't fall below the 20 mill floor. Only current expense millage (inside or outside) counts towards the 20-mill floor. Levies for bonds, permanent improvement, and emergency do not count towards the 20-mill floor. Based on the reappraisal, the District could be close to reaching the 20 mill floor in future years.

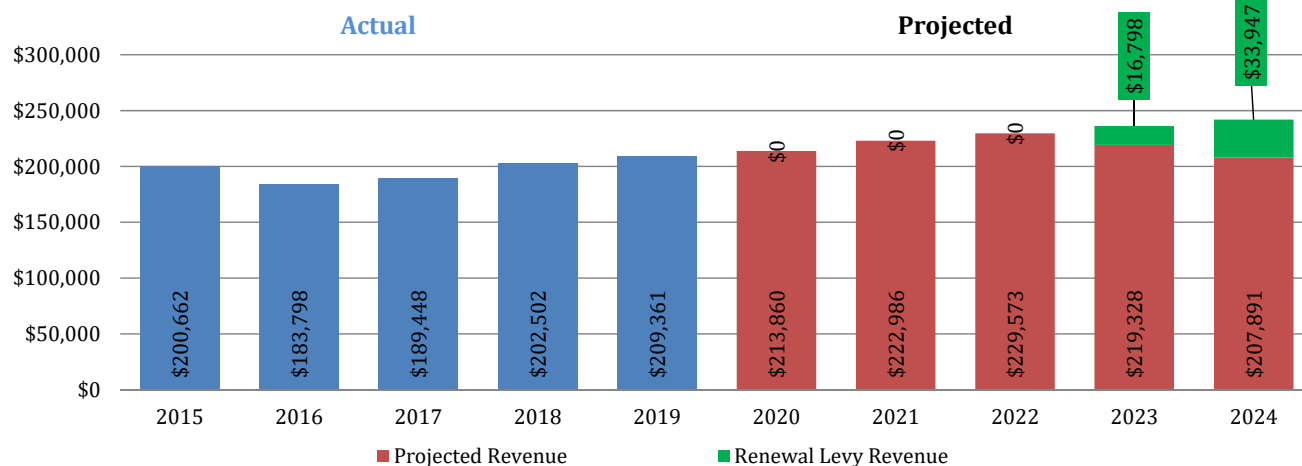
The District currently has a substitute (emergency) levy that was approved for 10 years back in November 2018. The District also has an operating levy up that will expire in December 2022. Property tax levies are est. to be collected at 100% due to historically low delinquency.

The green in fiscal years 2023-2024 represent the revenue at stake if the operating levy is not renewed and expires.

**Projected % trends include renewal levies*

1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



	2019	2020	2021	2022	2023	2024
Total With Renewal Levies	209,361	213,860	222,986	229,573	236,126	241,838
YOY \$ Change	6,859	4,499	9,126	6,587	6,553	5,711
YOY % Change	3.4%	2.1%	4.3%	3.0%	2.9%	2.4%

Percentage of Total Revenue	2019	2020	2021	2022	2023	2024
	1.6%	1.6%	1.6%	1.5%	1.5%	1.5%

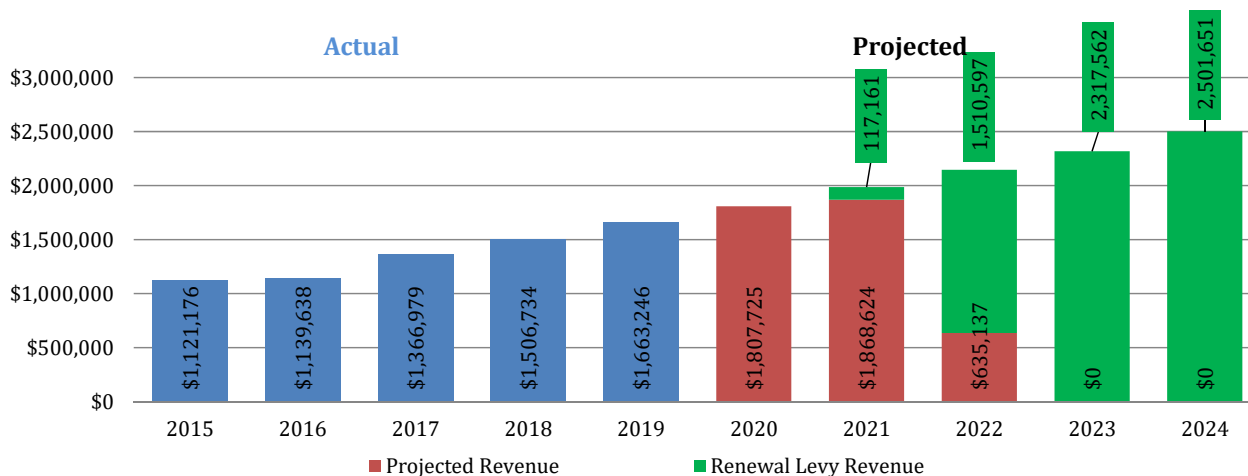
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2018	4,277,200	190,090	50.00	(0.05)	100.0%
2019	4,403,492	126,292	49.90	(0.10)	100.0%
2020	4,533,572	130,080	49.90	0.01	100.0%
2021	4,667,555	133,983	49.90	(0.01)	100.0%
2022	4,799,555	132,000	49.87	(0.03)	100.0%
2023	4,899,555	100,000	49.87	(0.00)	100.0%

The District has minimal Public Utilitie Personal Property and shows minimal growth. The green in fiscal years 2023-2024 represent the reveane at stake if the operating levy is not renewed and expires.

*Projected % trends include renewal levies

1.030 - Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	1,663,246	1,807,725	1,985,785	2,145,734	2,317,562	2,501,651
YOY \$ Change	156,512	144,479	178,060	159,949	171,828	184,089
YOY % Change	10.4%	8.7%	9.8%	8.1%	8.0%	7.9%

Percentage of Total Revenue	13.0%	13.5%	14.1%	14.4%	14.8%	15.5%
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Income Taxes represent approx. 13.5% of the Fiscal Year 2020 total general fund revenue

The 0.75% income tax is based on wage earnings of district residents. Non-wage earnings (retirement, interest, etc.) are not subject to the income tax.

Income Tax Revenue is expected to grow by approx. 8-9% in each fiscal year based on the new development within district.

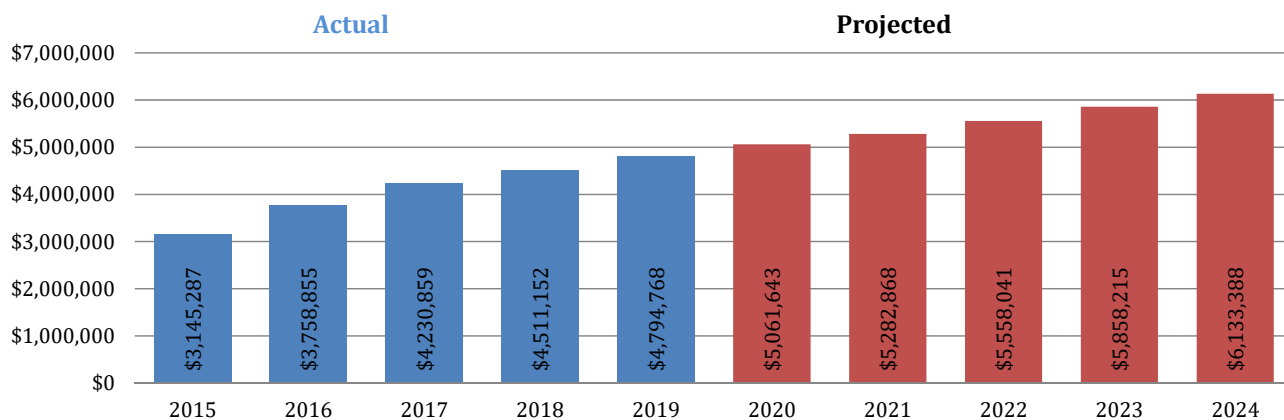
The earned income tax levy is set to expire on December 31, 2020. The levy is up for renewal in November 2019 to be renewed for 5 years commencing January 1, 2021.

The green in fiscal year 2021-2024 represents the revenue at stake if levy is not renewed.

**Projected % trends include renewal levies*

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	4,794,768	5,061,643	5,282,868	5,558,041	5,858,215	6,133,388
YOY \$ Change	283,616	266,875	221,224	275,174	300,174	275,174
YOY % Change	6.3%	5.6%	4.4%	5.2%	5.4%	4.7%
Percentage of Total Revenue	37.4%	37.9%	37.5%	37.4%	37.5%	38.0%
Base Aid	4,607,215	4,607,215	4,607,215	4,607,215	4,607,215	4,607,215
Student Wellness Aid		93,606	139,909	147,991	156,071	164,150
Supplemental Aid - Wellness & Growing		301,150	451,725	410,199	410,199	410,199
Enrollment	1,458	1,616	1,723	1,822	1,922	2,021

State Foundation Funding is flat for FY 20 and FY 21 based on what each District received in FY 19. A note to remember is in FY 19 the District was a **Cap District**.

Schools that are growing will receive additional funding. For growing school districts, districts will receive additional \$20 per pupil in FY 20 and \$30 per pupil for FY 21. Bethel is projected to receive additional funding of:

FY 20 => \$273,466

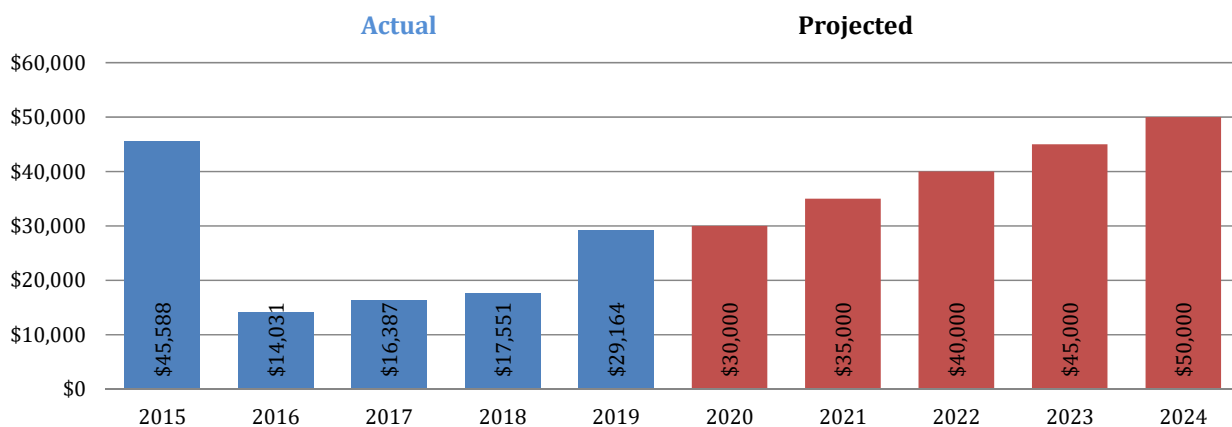
FY 21 => \$410,199

This is nowhere the amount the District should be receiving based on the current formula - **District lost approx. \$4.2million in FY19** by being a cap district.

Due to the District's rapid growth this line item is expected to increase by 5.6% in FY 20 and is projected to increase by approx. 5% in FY21-FY24. The next state budget to be proposed and established will happen in spring of 2021 for FY 22 and FY23. The forecast assumes the same or similar funding formula will remain in place.

1.040 & 1.045 - Restricted Grants-in-Aid

Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.

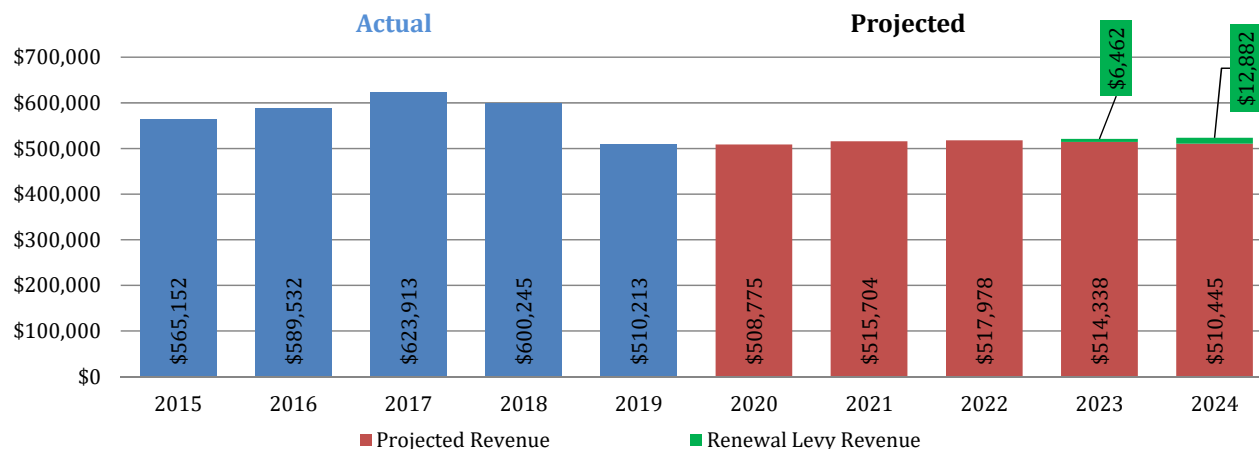


	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	29,164	30,000	35,000	40,000	45,000	50,000
YOY \$ Change	11,613	836	5,000	5,000	5,000	5,000
YOY % Change	66.2%	2.9%	16.7%	14.3%	12.5%	11.1%
Percentage of Total Revenue	0.2%	0.2%	0.2%	0.3%	0.3%	0.3%

Projected funding in this category is comprised of career tech funding and economic disadvantaged funding.

1.050 - Property Tax Allocation

Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Deregulation, Homestead and Rollback.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total With Renewal Levies	510,213	508,775	515,704	517,978	520,800	523,327
YOY \$ Change	(90,032)	(1,438)	6,929	2,274	2,822	2,527
YOY % Change	-15.0%	-0.3%	1.4%	0.4%	0.5%	0.5%
Percentage of Total Revenue	4.0%	3.8%	3.7%	3.5%	3.3%	3.2%
% of Residential Real Estate 10% Rollback	10.09%	10.09%	10.09%	10.09%	10.09%	10.09%
% of Residential Real Estate 2.5% Rollback	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%
% of Residential Real Estate Homestead	3.44%	3.44%	3.44%	3.44%	3.44%	3.44%

Prior fiscal years included TIF revenue, which as of FY18 is posted to line 1.06 All Other Operating Revenue.

Rollback funds are reimbursements paid to the district from Ohio for tax credits given owner occupied residences equaling 12.5% of the gross property taxes charged to residential taxpayers on tax levies passed prior to September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013 which is the effective date of HB59.

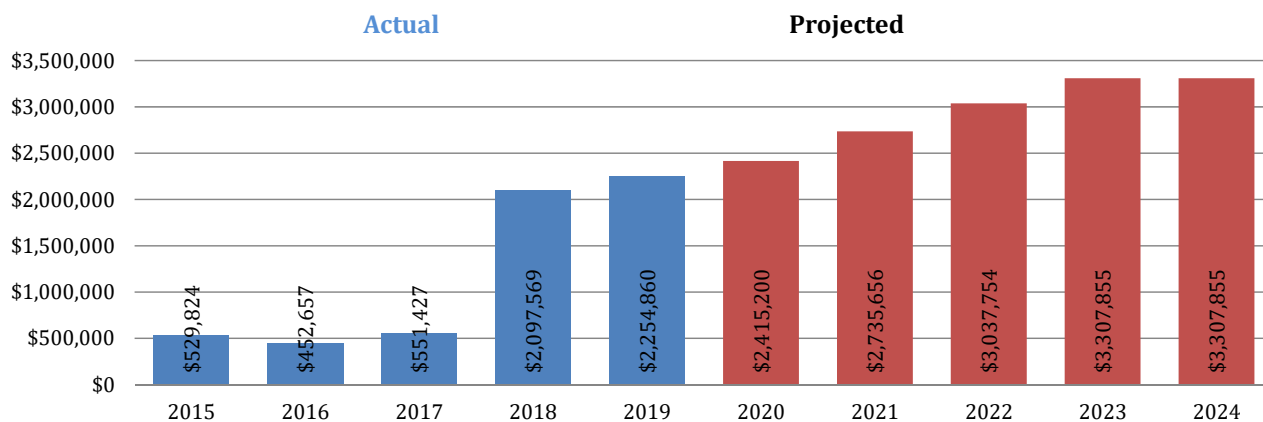
Effective September 29, 2013 HB59 changes the requirement for Homestead Exemptions, individual taxpayers who no currently have their Homestead Exemption approved or those who do not get a new application approved for tax year 2013, and who become eligible thereafter will only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who currently have their Homestead Exemption as of September 29, 2013 will not lose it going forward and will not have to meet the new income qualifications. This will slow the growth of homestead reimbursements to the district, and as with the rollback reimbursements above, increase the taxes collected locally on taxpayers on any new levies.

The green in fiscal year 2023-2024 represents the revenue at stake if operating levy is not renewed.

**Projected % trends include renewal levies*

1.060 - All Other Operating Revenues

Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.



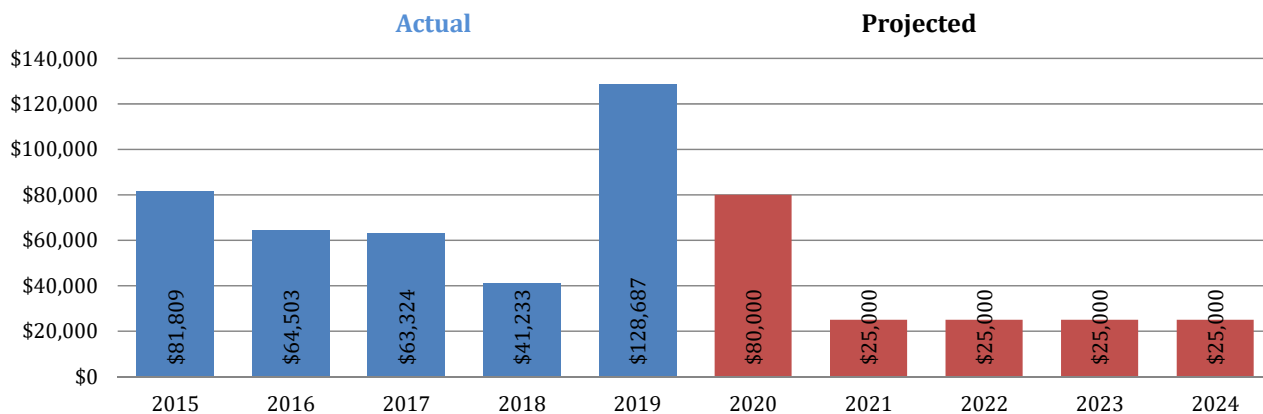
	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	2,254,860	2,415,200	2,735,656	3,037,754	3,307,855	3,307,855
YOY \$ Change	157,291	160,340	320,456	302,098	270,101	-
YOY % Change	7.5%	7.1%	13.3%	11.0%	8.9%	0.0%
Percentage of Total Revenue	17.6%	18.1%	19.4%	20.5%	21.2%	20.5%

Beginning in FY 2018, this line item includes TIF Revenue. The TIF agreement which is expected to provide \$1.975 million in FY 20 after 30% allocation to capital projects fund as the development continues to be completed. Based on history of the revenue growth, it is estimated that revenue for TIF will increase approx. 15% during the forecast years. It is anticipated that the development will be completed between 2 to 3 years from now and eventually the revenue will level off (projected in FY 24). The major TIF (Carriage Trails) is a 30 year TIF which was approved back in 2005.

This category also includes tuition, interest earnings, and rental property. Interest earnings have increased over last couple years due to the current market conditions as well as the District maintaining optimal amounts in its money market account. Rental property income is related to the land and house the District currently owns. The District recently began the ELPP process with OFCC. Depending on the master facility plan designed, the district could see a slight decrease in revenue here as could be using the land for future buildings and will have less cash reserved to earn interest.

2.070 - Total Other Financing Sources

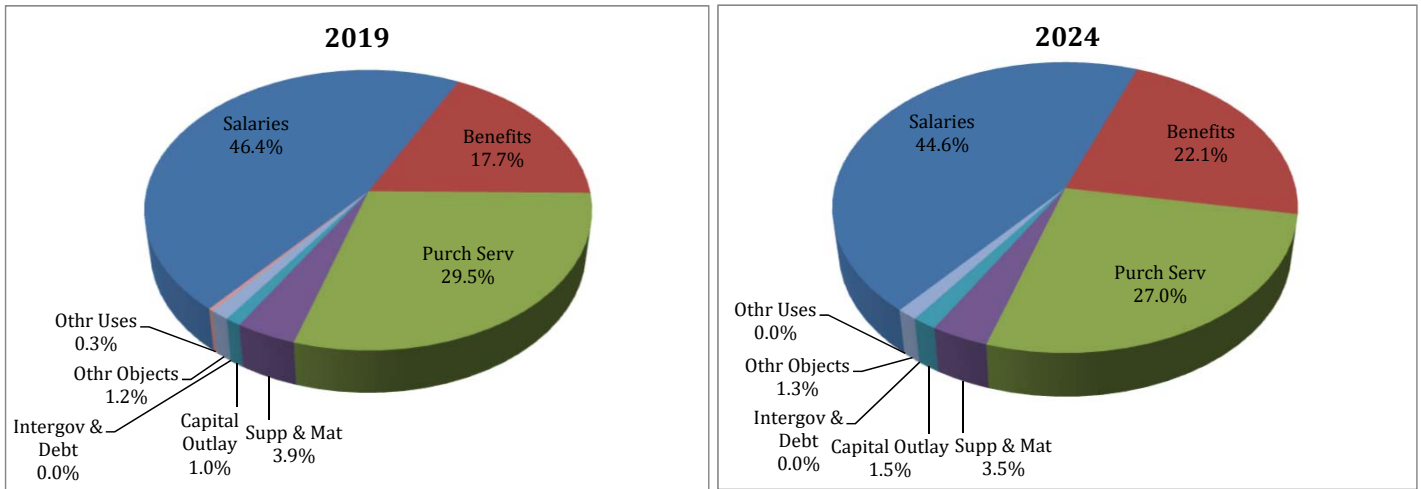
Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	128,687	80,000	25,000	25,000	25,000	25,000
YOY \$ Change	87,454	(48,687)	(55,000)	-	-	-
YOY % Change	212.1%	-37.8%	-68.8%	0.0%	0.0%	0.0%
Percentage of Total Revenue	1.0%	0.6%	0.2%	0.2%	0.2%	0.2%
Transfers In	-	-	-	-	-	-
Advances In	57,500	40,000	-	-	-	-

This category includes refunds of monies spent in prior years and consisted mainly of SERS refunds. Care has been taken in future years to properly estimate SERS payments so as to not generate large refunds. The District also can receive an advance refund in relation to advancing funds at previous fiscal year end for any federal grant fund that had expenditures but had not received reimbursement. It is currently projected that this will not be needed for any fiscal year however could change depending on the timing of expenditures incurred and the request for reimbursement.

Expenditure Categories and Forecast Year-Over-Year Projected Overview



	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	
Expenditures:							
3.010-Salaries	9.42%	8.05%	5.70%	7.16%	5.88%	5.52%	6.46%
3.020-Benefits	8.90%	17.34%	11.09%	11.26%	10.79%	10.63%	12.22%
3.030-Purchased Services	10.36%	5.89%	6.42%	5.01%	5.55%	3.87%	5.35%
3.040-Supplies & Materials	17.65%	-5.62%	21.38%	4.01%	4.75%	4.24%	5.75%
3.050-Capital Outlay	1021.49%	49.86%	19.74%	4.55%	6.52%	6.12%	17.36%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	-30.03%	n/a	n/a	n/a	n/a	n/a	n/a
4.300-Other Objects	6.62%	30.65%	-5.45%	19.52%	-11.20%	15.76%	9.86%
4.500-Total Expenditures	9.59%	9.22%	7.49%	7.36%	6.52%	6.23%	7.37%
5.040-Total Other Uses	77.55%	-100.00%	n/a	n/a	n/a	n/a	-100.00%
5.050-Total w/Other Uses	9.61%	8.86%	7.49%	7.36%	6.52%	6.23%	7.29%

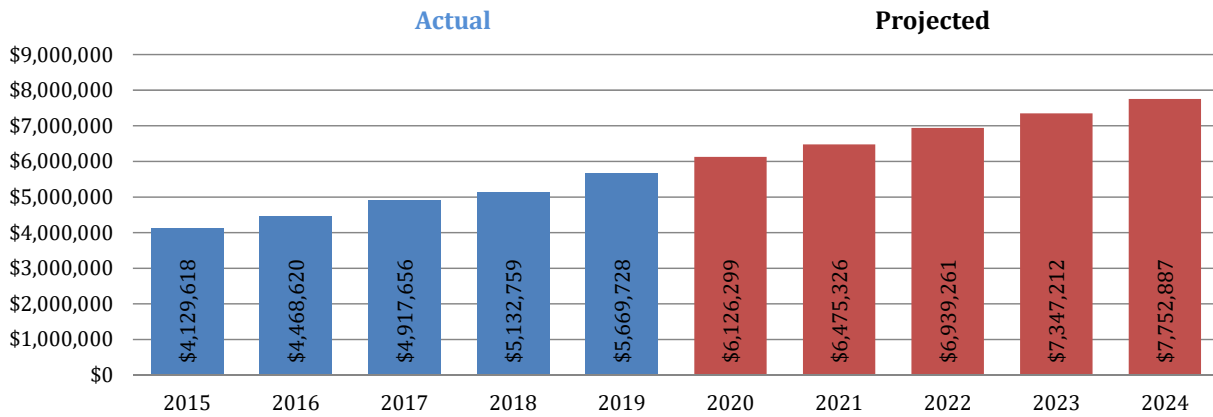
Overall expenditures are projected to increase on average at a rate of 7% per year. Salary and benefit spending is anticipated to increase in conjunction with additional staff due to increased enrollment. Each expenditure note goes into further detail about the year over year change.

Purchased services are also projected to increase as the district will require more services from the county ESCs and more special education services.

The District will also have higher operational costs due to building a new high school in FY 18 and the District currently in the ELPP process for future facility space.

3.010 - Personnel Services

Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	5,669,728	6,126,299	6,475,326	6,939,261	7,347,212	7,752,887
YOY \$ Change	536,969	456,571	349,027	463,935	407,951	405,675
YOY % Change	10.5%	8.1%	5.7%	7.2%	5.9%	5.5%
Percentage of Total Budget	46.4%	46.0%	45.3%	45.2%	44.9%	44.6%

Personnel Services represent approx. 46% of total expenditures of the District. It is projected that costs associated with personnel services to increase between 6-8% from FY20-24.

Per Bethel Education Association negotiated agreement, 3 retro steps are projected for FY 20 and FY 21.

During FY 2019, the following increases were approved for FY 20

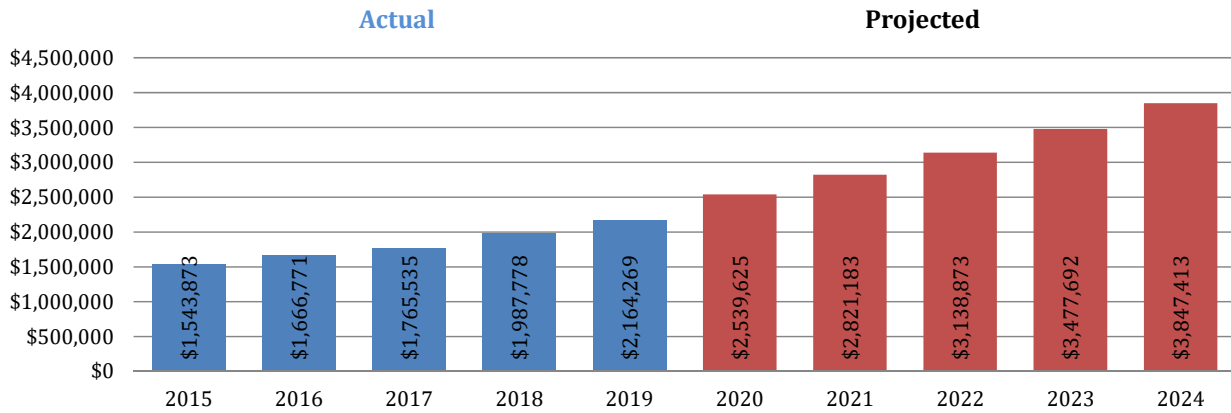
- All administrators - 2% base salary increase
- All Classified staff who qualify - 2 retro steps

The District hired 6 additional teachers, 1 school counselor, and 1 bus driver are being projected for FY20. Also included is 1 additional paraprofessional staff that has not been filled.

4 certified, 1 paraprofessional staff, and 1 bus driver are being projected for FY21-24 for additional staff each fiscal year

3.020 - Employees' Benefits

Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	2,164,269	2,539,625	2,821,183	3,138,873	3,477,692	3,847,413
YOY \$ Change	176,491	375,356	281,558	317,690	338,819	369,721
YOY % Change	8.9%	17.3%	11.1%	11.3%	10.8%	10.6%
Percentage of Total Budget	17.7%	19.1%	19.7%	20.4%	21.3%	22.1%

Employees' Benefits represent approx. 19% of total expenditures of the District. It is projected that costs associated with Employees' Benefits to increase approx. 11% each fiscal year.

Most of the increase in benefits is being driven by additional staff.

Although from FY 2012-2018 the avg. increase in health rate was 4.6%. Health insurance premium costs increased by 17% for FY20. Based on the current condition, the District is estimated a 10% increase in cost related to Health insurance premiums for FY21-24

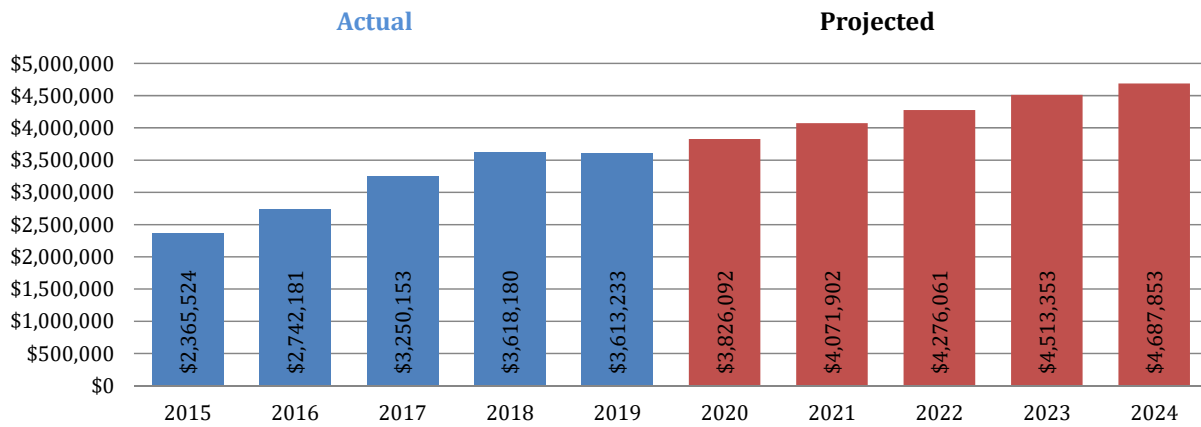
Vision insurance was first offered by District to all employees beginning in FY 19. FY 20 there was no change in the premium for vision. It is being projected to increase by 2% each year after (FY 21-24)

Dental Insurance Premiums remained constant for FY 20 and is projected to increase by 2% each year after (FY21-24)

Life Insurance is projected to increase by 2% each year. No change occurred in premium for FY 20

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.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	3,613,233	3,826,092	4,071,902	4,276,061	4,513,353	4,687,853
YOY \$ Change	(4,947)	212,859	245,810	204,159	237,292	174,500
YOY % Change	-0.1%	5.9%	6.4%	5.0%	5.5%	3.9%
Percentage of Total Budget	29.5%	28.7%	28.5%	27.8%	27.6%	27.0%

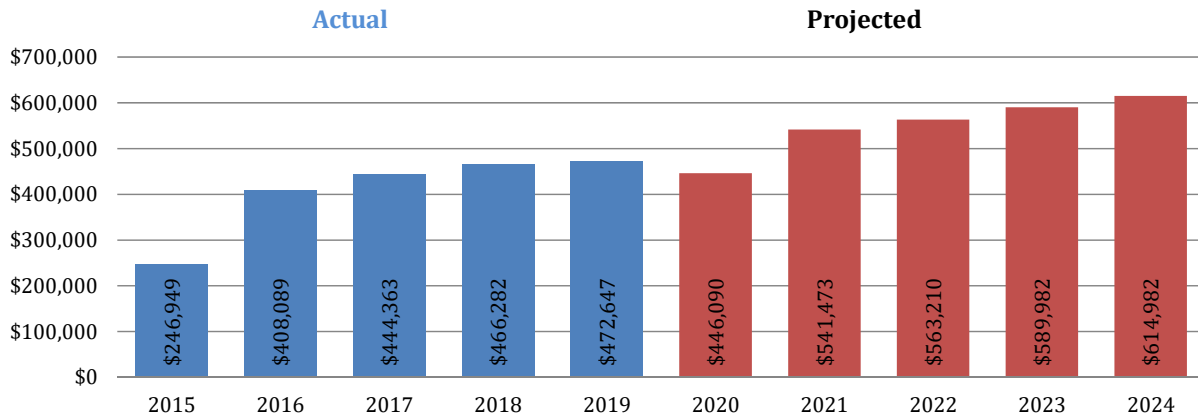
Purchased Services represent approx. 29% of total expenditures of the District. It is projected that costs associated with purchased services to increase approx. 3-6% each year.

Purchased Services can be broken out into three categories which include instructional costs, utilities, and other purchased services.

- Instruction costs - cost associated to services provided through ESC, costs deducted from District's foundation payments such as open enrollment, charter schools, tuition, college credit plus. Costs related to special education are also under this.
- Utilities - cost associated for electricity, water, propane (District will see a drop in costs to propane for FY20 to due better market conditions for propane)
- Other purchased services - costs associated here include but not limited to legal services, repairs and maintenance, data processing.

3.040 - Supplies & Materials

Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.



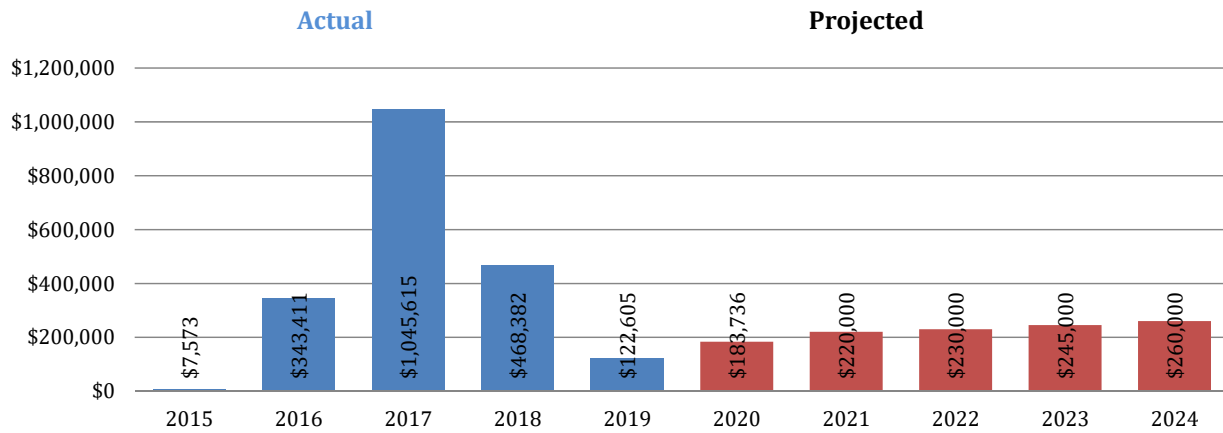
	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	472,647	446,090	541,473	563,210	589,982	614,982
YOY \$ Change	6,365	(26,557)	95,383	21,737	26,772	25,000
YOY % Change	1.4%	-5.6%	21.4%	4.0%	4.8%	4.2%
Percentage of Total Budget	3.9%	3.4%	3.8%	3.7%	3.6%	3.5%

Supplies and Materials represents approx. 3% of total expenditures of the District. It is projected that costs associated with supplies and materials to increase approx. 4% each year. Category includes general and instructional supplies, textbooks, and maintenance/transportations supplies.

FY 20 is a decline in expenditures as the District plans to have an off year and not adopt and purchase new textbooks. However, some textbooks will be bought due to the increase in enrollment.

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, and buses.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	122,605	183,736	220,000	230,000	245,000	260,000
YOY \$ Change	(345,777)	61,131	36,264	10,000	15,000	15,000
YOY % Change	-73.8%	49.9%	19.7%	4.5%	6.5%	6.1%
Percentage of Total Budget	1.0%	1.4%	1.5%	1.5%	1.5%	1.5%

Capital Outlay represents approx. 1 % of total expenditures of the District.

Costs associated here include chromebooks/laptops/equipment/furniture for students, teachers, and staff. It also equipment for maintenance and equipment.

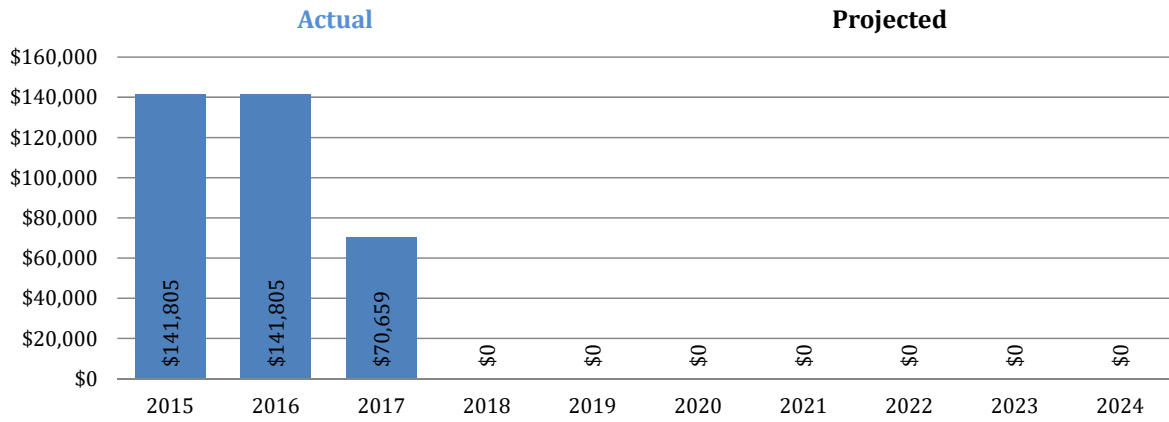
Increase projected in FY 20 is due to District purchasing furniture for 3 classrooms in Elementary. The District also looking at updating staff laptops through the next couple of year as well as purchase additional laptops due to the need for additional staff due to increase enrollment.

The District also has two Permanent Improvement levies that each generate funds that total approx. \$513,000 that is to be used for capital projects and improvements. Although not included here as forecast only looks at general fund, it is important to note the availability of other funds for capital outlay expenditures.

Due to rapid growth of student enrollment, the District is full capacity of its facilities. The District is currently in the ELPP Program through Ohio Facilities Construction Commission (OFCC) and developing a master facility plan. Additional costs could be projected in future to accommodate the immediate needs of the District.

3.060-4.060 - Intergovernmental & Debt

These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.

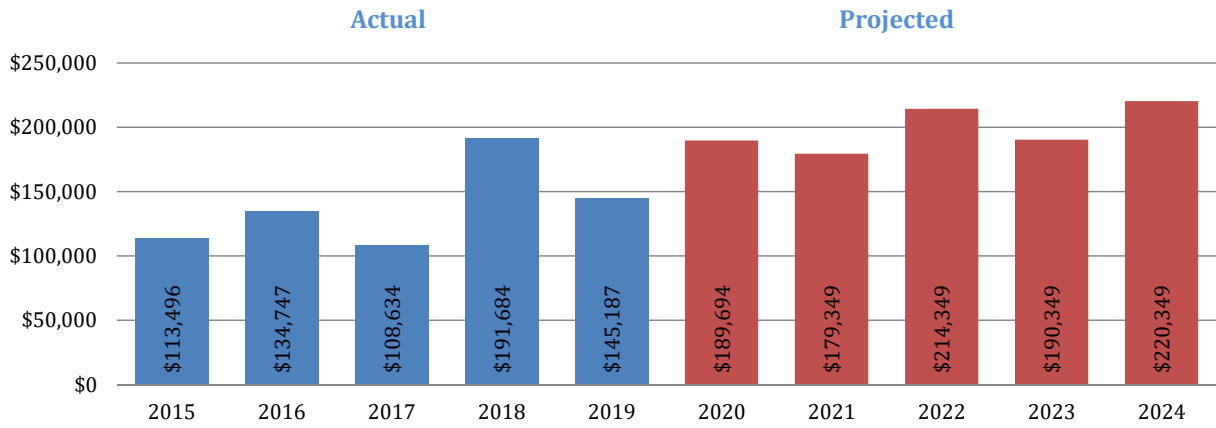


	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	-	-	-	-	-	-
YOY \$ Change	-	-	-	-	-	-
YOY % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

The District finished paying off HB264 debt in FY 2017.

4.300 - Other Objects

Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.

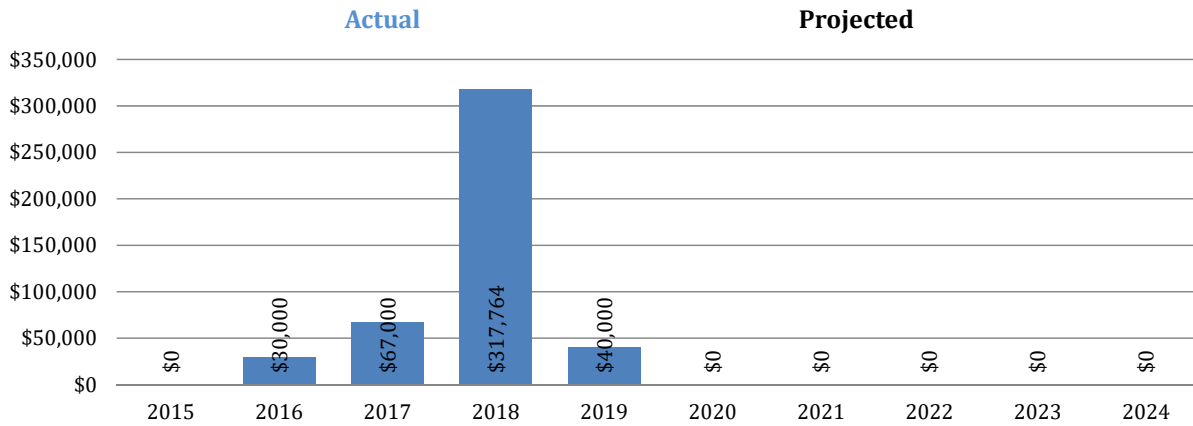


	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	145,187	189,694	179,349	214,349	190,349	220,349
YOY \$ Change	(46,497)	44,507	(10,345)	35,000	(24,000)	30,000
YOY % Change	-24.3%	30.7%	-5.5%	19.5%	-11.2%	15.8%
Percentage of Total Budget	1.2%	1.4%	1.3%	1.4%	1.2%	1.3%

The largest expenditure in this line item is for the County Auditor and Treasurer Fees in relation to collection of property taxes. The reason for the fluctuation between the years is that the District changed from filing GAAP financial statements to Cash-Basis financial statements. Due to this and the District currently not receiving enough federal funds to be a single audit, the District is under a 2 year audit cycle with Ohio Auditor of State.

5.040 - Total Other Financing Uses

Operating transfers-out, advances out to other funds, and all other general fund financing uses.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	40,000	-	-	-	-	-
YOY \$ Change	(277,764)	(40,000)	-	-	-	-
YOY % Change	-87.4%	-100.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Budget	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Transfers Out	-	-	-	-	-	-
Advances Out	40,000	-	-	-	-	-

In prior years, the District transferred money to athletic fund for participation fee receipts that were received. FY 19 and forward those fee receipts are being directly posted into the athletic fund. In case the school supply fund and athletic fund are not able to maintain a surplus balance based on the fees being charged in relation to the costs to provide those services, the general fund may need to transfer funds to maintain those funds. As of now, it is to be believe that the school supply fund and athletic fund will be able to maintain a surplus balance based on the fees established. The District also transferred money received from the TIF to Bond Retirement Fund in FY 18. FY 19 and beyond, this is no longer required based on the review of the Bond Retirement Fund.

Bethel Local Schools

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2019	2020	2021	2022	2023	2024
Revenue:						
1.010 - General Property Tax (Real Estate)	3,234,521	3,226,333	3,274,778	3,295,676	3,264,274	3,229,345
1.020 - Public Utility Personal Property	209,361	213,860	222,986	229,573	219,328	207,891
1.030 - Income Tax	1,663,246	1,807,725	1,868,624	635,137	-	-
1.035 - Unrestricted Grants-in-Aid	4,794,768	5,061,643	5,282,868	5,558,041	5,858,215	6,133,388
1.040 - Restricted Grants-in-Aid	29,164	30,000	35,000	40,000	45,000	50,000
1.050 - Property Tax Allocation	510,213	508,775	515,704	517,978	514,338	510,445
1.060 - All Other Operating Revenues	2,254,860	2,415,200	2,735,656	3,037,754	3,307,855	3,307,855
1.070 - Total Revenue	12,696,133	13,263,536	13,935,616	13,314,159	13,209,010	13,438,924
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	57,500	40,000	-	-	-	-
2.060 - All Other Financing Sources	71,187	40,000	25,000	25,000	25,000	25,000
2.070 - Total Other Financing Sources	128,687	80,000	25,000	25,000	25,000	25,000
2.080 - Total Rev & Other Sources	12,824,820	13,343,536	13,960,616	13,339,159	13,234,010	13,463,924
Expenditures:						
3.010 - Personnel Services	5,669,728	6,126,299	6,475,326	6,939,261	7,347,212	7,752,887
3.020 - Employee Benefits	2,164,269	2,539,625	2,821,183	3,138,873	3,477,692	3,847,413
3.030 - Purchased Services	3,613,233	3,826,092	4,071,902	4,276,061	4,513,353	4,687,853
3.040 - Supplies and Materials	472,647	446,090	541,473	563,210	589,982	614,982
3.050 - Capital Outlay	122,605	183,736	220,000	230,000	245,000	260,000
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	145,187	189,694	179,349	214,349	190,349	220,349
4.500 - Total Expenditures	12,187,669	13,311,536	14,309,233	15,361,754	16,363,588	17,383,484
Other Financing Uses						
5.010 - Operating Transfers-Out	-	-	-	-	-	-
5.020 - Advances-Out	40,000	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	40,000	-	-	-	-	-
5.050 - Total Exp and Other Financing Uses	12,227,669	13,311,536	14,309,233	15,361,754	16,363,588	17,383,484
6.010 - Excess of Rev Over/(Under) Exp	597,151	32,000	(348,617)	(2,022,595)	(3,129,578)	(3,919,560)
7.010 - Cash Balance July 1 (No Levies)	2,902,531	3,499,682	3,531,682	3,183,065	1,160,471	(1,969,107)
7.020 - Cash Balance June 30 (No Levies)	3,499,682	3,531,682	3,183,065	1,160,471	(1,969,107)	(5,888,667)
		Reservations				
8.010 - Estimated Encumbrances June 30	177,707	300,000	300,000	300,000	300,000	300,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	3,321,975	3,231,682	2,883,065	860,471	(2,269,107)	(6,188,667)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	117,161	1,510,597	2,395,967	2,658,199
11.030 - Cumulative Balance of Levies	-	-	117,161	1,627,758	4,023,725	6,681,924
12.010 - Fund Bal June 30 for Cert of Obligations	3,321,975	3,231,682	3,000,226	2,488,228	1,754,617	493,256
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	3,321,975	3,231,682	3,000,226	2,488,228	1,754,617	493,256