



Five Year Forecast Presentation
November 17, 2020

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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 (2018-2020) and five years of forecasted data (2021-2025)
- 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 2025 (See line 7.020)
- Many challenges and uncertainty due to COVID-19
- Deficit spending is projected to start in fiscal year 2022
 - 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
 - FY2020 began a new state biennium budget (Again in FY2022 and FY2024)
 - However, there are currently significant state revenue cuts
- The Lake County School Financing District levy (Line 1.060)
 - Levy was renewed by the voters in the 2020 Ohio Primary Election
 - Collection to continue through calendar year 2025, which covers one half of fiscal year 2026
 - Riverside will see increased revenue due to a new allocation
 - Revenue is projected at \$2,053,495 for FY2020, \$2,359,520 for FY2021, and \$2,678,421 in FY2022



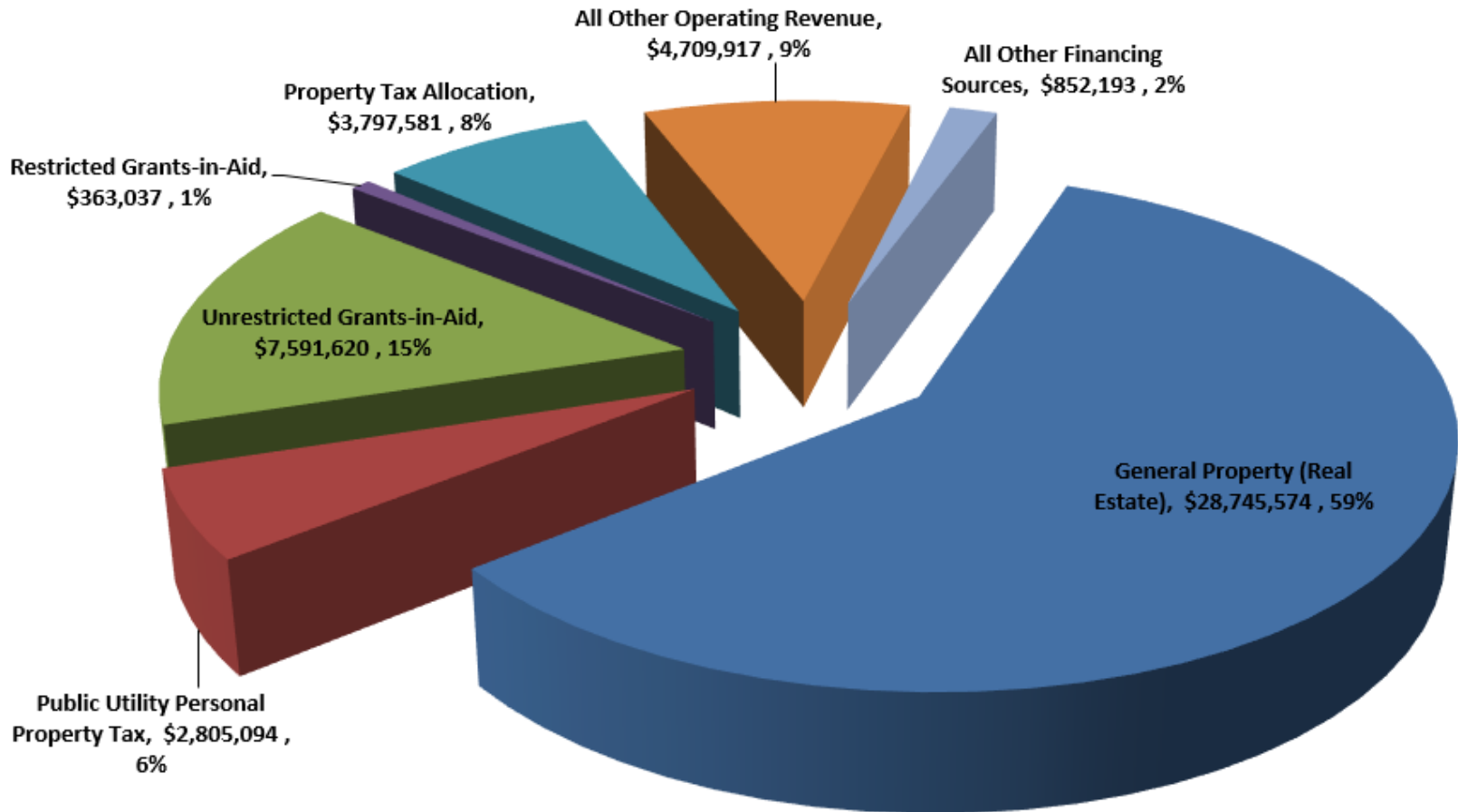
Executive Overview

	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
Beginning Balance	15,704,367	16,455,938	16,286,789	14,502,886	10,879,404
<i>Total Revenues</i>	48,865,016	49,667,900	50,084,909	50,264,762	50,580,392
<i>Total Expenditures</i>	48,113,445	49,837,049	51,868,812	53,888,244	56,083,592
<i>Revenue Surplus or Deficit</i>	751,571	(169,148)	(1,783,904)	(3,623,482)	(5,503,200)
<i>Ending Balance</i>	16,455,938	16,286,789	14,502,886	10,879,404	5,376,204

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Revenue



Note: Based on fiscal year 2021 projected revenue.

Total: \$48,865,016

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Current Levies

● 2019 Tax Year / 2020 Collection Year

Levy	Effective Tax Rate
Inside Millage	4.80
1976 – Current Expense (33.10 Mills)	11.84
1980 – Current Expense (4.50 Mills)	2.29
1986 – Current Expense (4.90 Mills)	2.72
2009 – Substitute Levy (4.59 Mills)*	4.17
2017 – Current Expense (4.90 Mills)	4.52
Total General Fund Millage	30.34
2016 – Permanent Improvement (2.50 Mills)**	2.30
2016 – Phase I Debt (Originally 1.92 Mills)	1.55
Total Millage	34.19

*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 TY2019/CY2020
Wickliffe	63.78
Painesville City*	47.34
Fairport Harbor	47.29
Willoughby-Eastlake**	46.84
Kirtland	40.34
Mentor	38.29
Riverside*	34.19
Madison*	32.04
Perry*	21.52

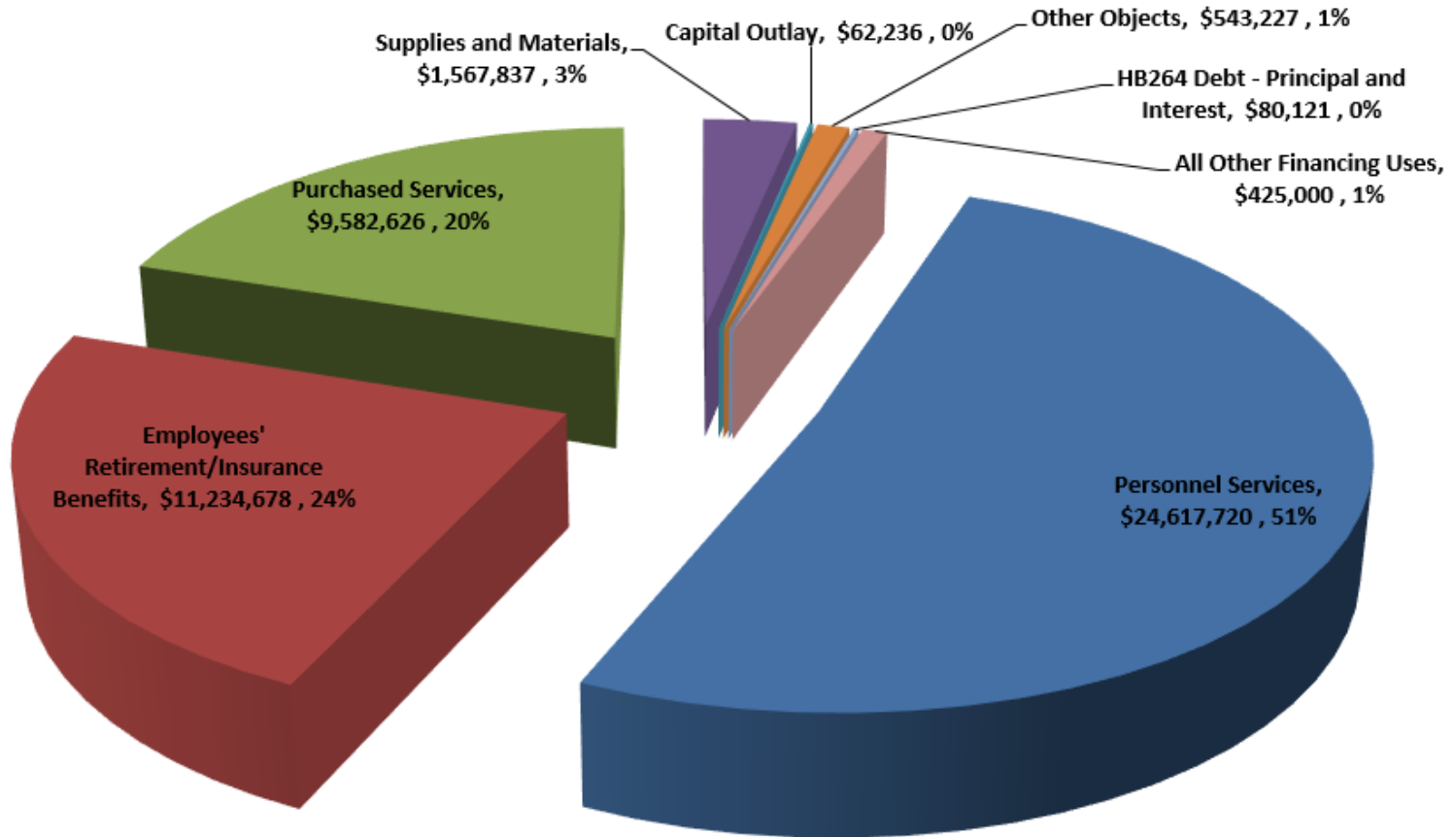
* Effective rates do not include the joint financing district effective tax rate of 2.28 Mills

** Does not include the 4.94 mill levy recently passed by Willoughby-Eastlake

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Expenditures



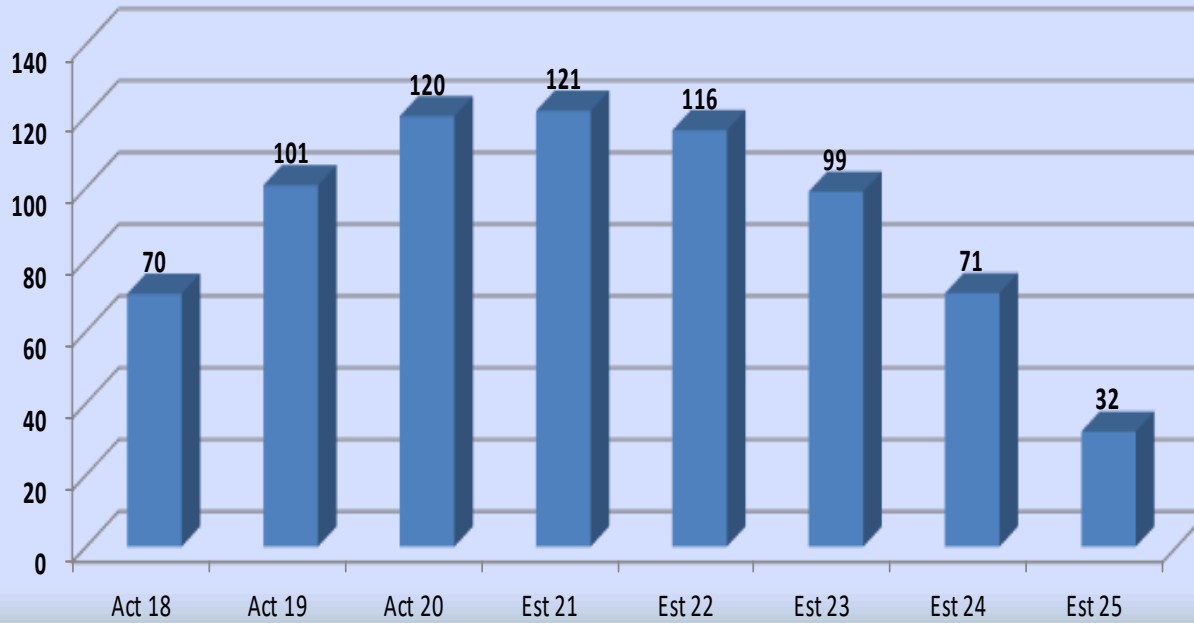
Note: Based on fiscal year 2021 projected expenditures.

Total: \$48,113,445

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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:
 - State Revenue Cuts from the State of Ohio / Fair School Funding Plan
 - Property Tax Collections – Delinquencies in 2021?
 - Enrollment Spikes (Fairway Pines - 250+ homes and Encore at Heisley Park - 150+ homes)
 - Future Open Enrollment Policies
- Expenditures
 - Staffing Levels (COVID-19, custodians, aides, retirements)
 - Health Care Plan Changes
 - Purchased Services (Community Schools, Open Enrollment)
 - School Choice Initiatives – Increase to online charter schools
 - Supplies – COVID-19 – Masks, gloves, sanitizer, cleaning supplies
 - Transfers to Nutrition Services / Athletics

