



May 2021 Five Year Forecast

Five Year Forecast Assumptions – 2021-2025

The five-year forecast serves as a tool to assess the financial health of a school district. City, local, exempted village and joint vocational school districts are required to submit five-year forecasts twice annually to the Ohio Department of Education (see Ohio Revised Code 5705.391 and Ohio Administrative Code 3301-92-04). Each five-year forecast contains two components: 1) historical and projected financial data and 2) notes to explain any significant changes or “assumptions” the District used to develop the reported financial projections. For more detailed information about five-year forecast content, please visit the “How to Read a Five-Year Forecast” webpage.

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Executive Summary

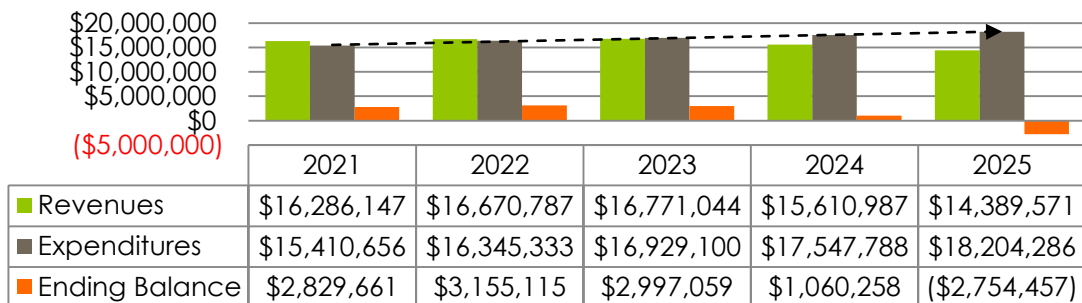
Five Year Forecast – Simplified Statement

	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
Beginning Balance	\$2,604,170	\$3,479,661	\$3,805,115	\$3,647,059	\$1,710,258
+Revenues	\$16,286,147	\$16,670,787	\$16,771,044	\$15,610,987	\$14,389,571
-Expenditures	(\$15,410,656)	(\$16,345,333)	(\$16,929,100)	(\$17,547,788)	(\$18,204,286)
=Revenue Surplus or Deficit	\$875,491	\$325,454	(\$158,056)	(\$1,936,801)	(\$3,814,715)
Ending Balance	\$3,479,661	\$3,805,115	\$3,647,059	\$1,710,258	(\$2,104,457)

Summary

Due to the passage of the Earned Income Tax, the fiscal year 2019 Board approved budget reduction plan was lifted (in part) in fiscal year 2020 resulting in suspended pay-to-participate fees, certain unfilled supplemental positions being filled, and successful union negotiations that ended the base rate freeze for all employees. Full collection of the income tax has taken longer than originally projected; however, it is having the desired effect, allowing the district to realize a surplus in fiscal year 2020 and project a surplus in fiscal year 2021 **and now 2022**, and also allows the district to operate through fiscal year 2023. After fiscal year 2023, as previously stated, the income tax must be renewed and sufficient additional revenue realized by fiscal year 2024 in order for the district to continue to operate in fiscal year 2024. Any potential renewals or new revenue sources are not included in this forecast. UPDATE: Due to the financial crisis as a result of the coronavirus pandemic, the amount of revenue received from the State of Ohio to the district was cut by \$337,443 in FY20. Decreased revenues are ~~else~~ **no longer** expected in FY21 and remaining years of the forecast due to this same financial crisis affecting the Nation and the State of Ohio, including all Ohio school districts. **State funding was restored to "pre-covid" funding levels in 2021.**

Revenues, Expenditures & Ending Cash Balance

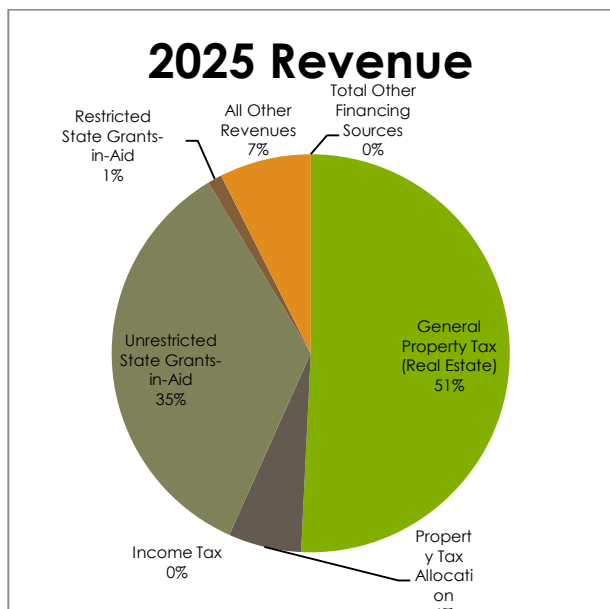
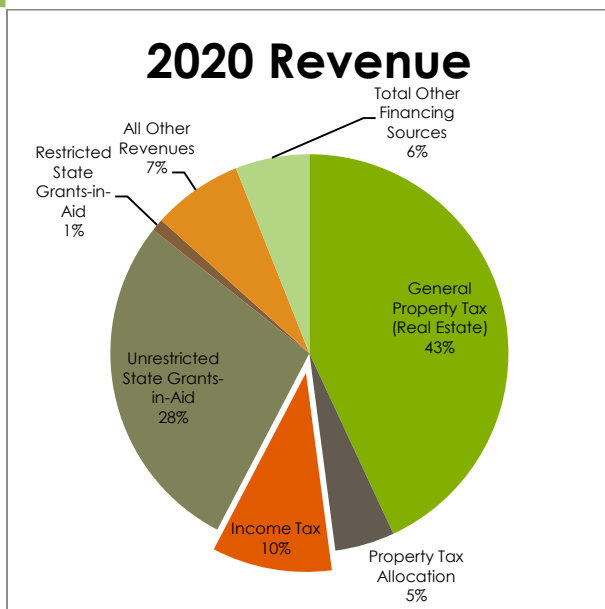


■ Revenues ■ Expenditures
■ Ending Balance - - - ▶ Linear (Expenditures)

Revenue Overview

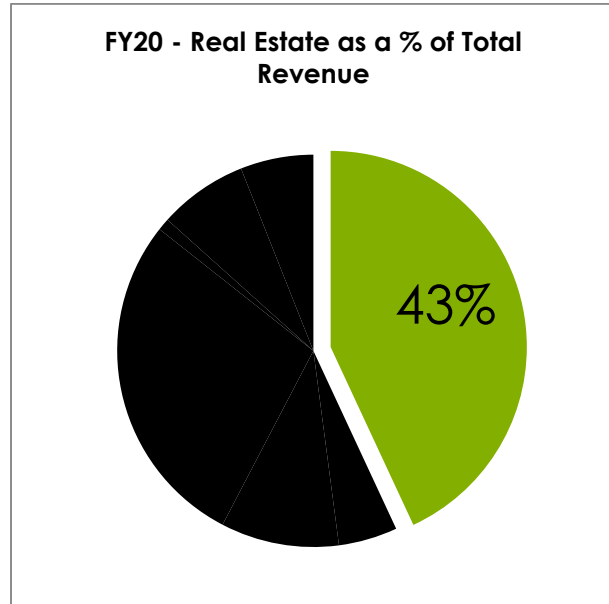
Revenue:	Historical Annual Avg Change	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	5yr Annual Avg Change
1.010 - General Property Tax (Real Estate)	7.8%	0.0%	0.5%	0.5%	0.5%	0.5%	0.4%
1.020 - Tangible Personal Property Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1.030 - Income Tax	0.0%	44.6%	2.5%	2.5%	-48.8%	-100.0%	-19.8%
1.035 - Unrestricted State Grants-in-Aid	-4.6%	4.6%	2.5%	0.0%	0.0%	0.0%	1.4%
1.040 - Restricted State Grants-in-Aid	-1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1.050 - Property Tax Allocation	0.3%	3.8%	0.5%	0.5%	0.5%	0.5%	1.2%
1.060 - All Other Revenues	2.0%	-25.5%	17.9%	0.0%	0.0%	0.0%	-1.5%
1.070 - Total Revenues	0.7%	4.2%	2.4%	0.6%	-6.9%	-7.8%	-1.5%
2.070 - Total Other Sources	2004.9%	-100.0%	0.0%	0%	0.0%	0.0%	-20.0%
2.080 - Total Revenue & Other Sources	11.2%	-2.1%	2.4%	0.6%	-6.9%	-7.8%	-2.8%

The most impactful change to the District's revenue was the passage of the 1.25% earned income tax effective January 1, 2019. This was the first new operating levy revenue received since 2005! The addition of the income tax has diversified our revenue sources which can be seen in the comparison of the pie charts below. However, the income tax expires in 2023, and if not renewed, will result in a ~~-3.3%~~ **-2.8%** average revenue decrease projected over the life of the forecast. The "2025 Revenue" pie chart removes the 10% Income Tax 2020 "piece of the pie" if that revenue source were to be non-renewed. All other revenue remains relatively flat. Due to the financial crisis as a result of the coronavirus pandemic, the amount of revenue received from the State of Ohio to the district was cut by \$337,443 in FY20, **but was restored in FY21**. We project flat state revenue and annual ~~decreases of 5%~~ **increases** in Income Tax (~~below normal estimates~~) in FY21 and ~~for~~ FY22-25 ~~increases to income tax revenue of 0% to 2.5%~~ **are projected** as the economy ~~slowly~~ recovers.

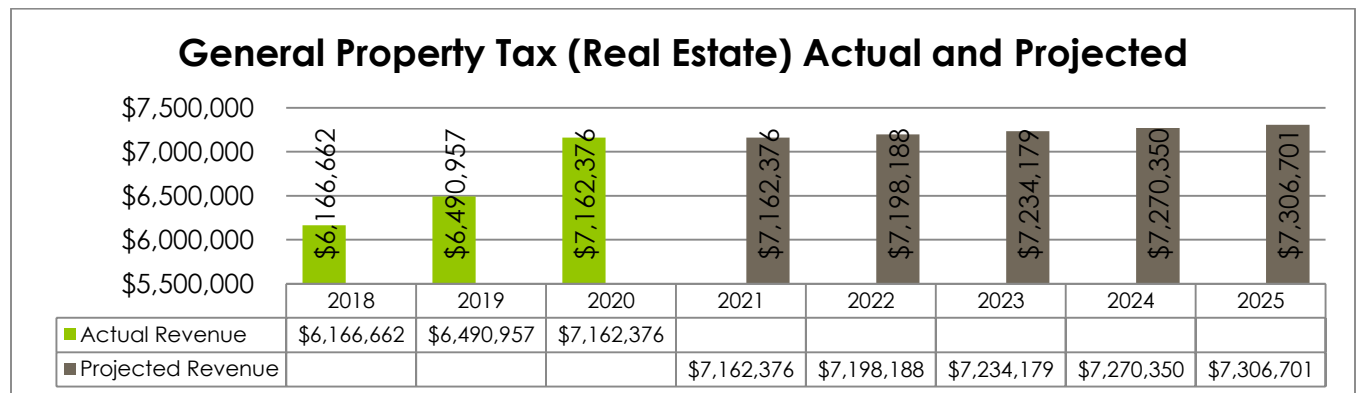


1.010 – General Property Tax (Real Estate)

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).



Property tax revenue increased when agricultural values (CAUV) increased 85% as part of the 2014 reappraisal; however, changes to the CAUV formula have caused our agricultural values to decrease by 17% during the 2017 update, and though residential values increased 15% the District still realized an overall 5% decrease in total property value and a 0.4% decrease in collections. CAUV changes have a dramatic effect in our district due to our total property value being over 50% agricultural. We expect a similar set of circumstances to occur in the 2020 reappraisal (agricultural values decreased -22.9%, residential values increased 13.6%, for a net decrease of -5.4%), and nearly flat property tax collections through the life of the forecast. Due to the coronavirus fiscal crisis we could see increased delinquent collections causing collection timing issues. This is unpredictable so no changes are projected to the forecast amounts.



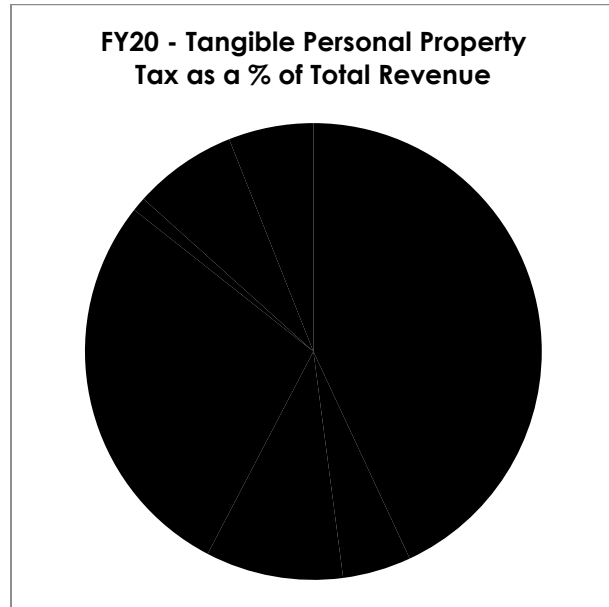
Our current property tax levies are:

Voted Millage	Residential & Ag Effective Millage	Levy Type	Year of Vote
5.10	5.10	Inside Mills	
16.00	4.72 5.08	Continuing Mills	1976
6.00	2.24 2.41	Continuing Mills	1994
5.85	2.18 2.35	Continuing Mills	1995
5.00	2.66 2.86	Continuing Mills	2003
8.00	4.27 4.59	Continuing Mills	2014
45.95*	21.17 22.39		

* Our 2.5 Mill, Permanent Improvement Levy has been excluded from this table. This is because it is not included as part of the five year forecast. This levy was renewed in 2017 for an additional 5 years beginning Calendar 2018.

1.020 – Tangible Personal Property Tax

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



Public utility personal property (PUPP) had previously been reported in Line 1.020, but is now included in Line 1.010.

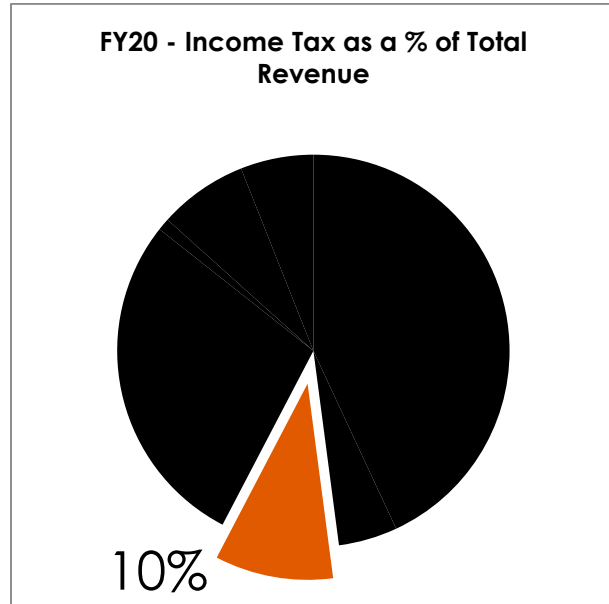
**Tangible Personal Property Tax
Actual and Projected**

	1.2	_____	_____	_____	_____	_____	_____	_____	_____
	1	_____	_____	_____	_____	_____	_____	_____	_____
	0.8	_____	_____	_____	_____	_____	_____	_____	_____
	0.6	_____	_____	_____	_____	_____	_____	_____	_____
	0.4	_____	_____	_____	_____	_____	_____	_____	_____
	0.2	_____	_____	_____	_____	_____	_____	_____	_____
	0	_____	_____	_____	_____	_____	_____	_____	_____
		2018	2019	2020	2021	2022	2023	2024	2025
■ Actual Revenue									
■ Projected Revenue									

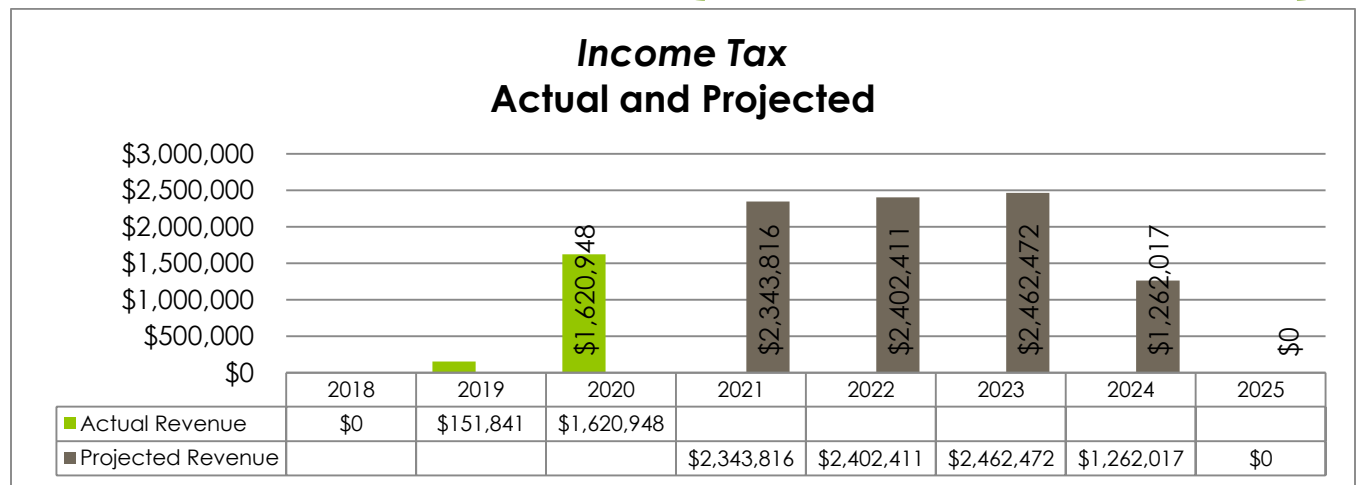
Businesses pay the 'tangible personal property tax' on equipment or supplies/materials of which they own. This tax was phased out and replaced with the Commercial Activities Tax (CAT).

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.



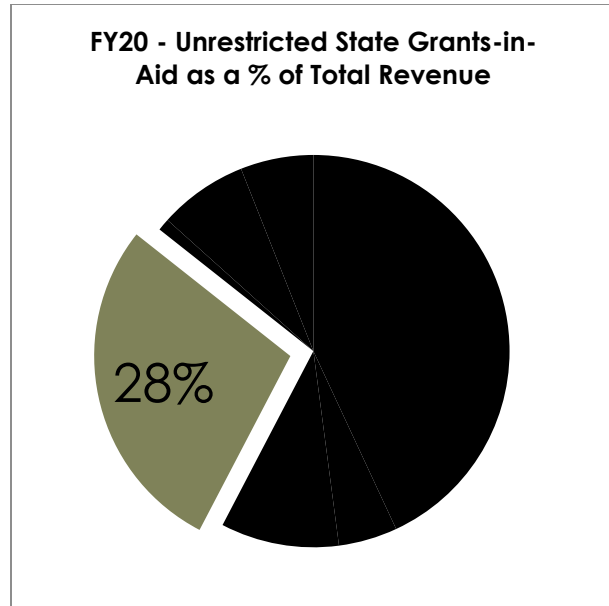
This 1.25% earned income tax is the first income tax passed in the history of the District, and the first new operating levy revenue received since 2005! The addition of the income tax has diversified our revenue sources. The levy began collection January 1, 2019 for a period of five years. If not renewed, the levy will expire at the end of 2023. We have modified our collection timeline based on guidance from the Ohio Department of Taxation. We continue to adjust our projected income tax revenue based on current state guidance and actual collections in our district. ~~We also predict a 5% decrease (below normal projections) in FY21 due to the coronavirus fiscal crisis.~~



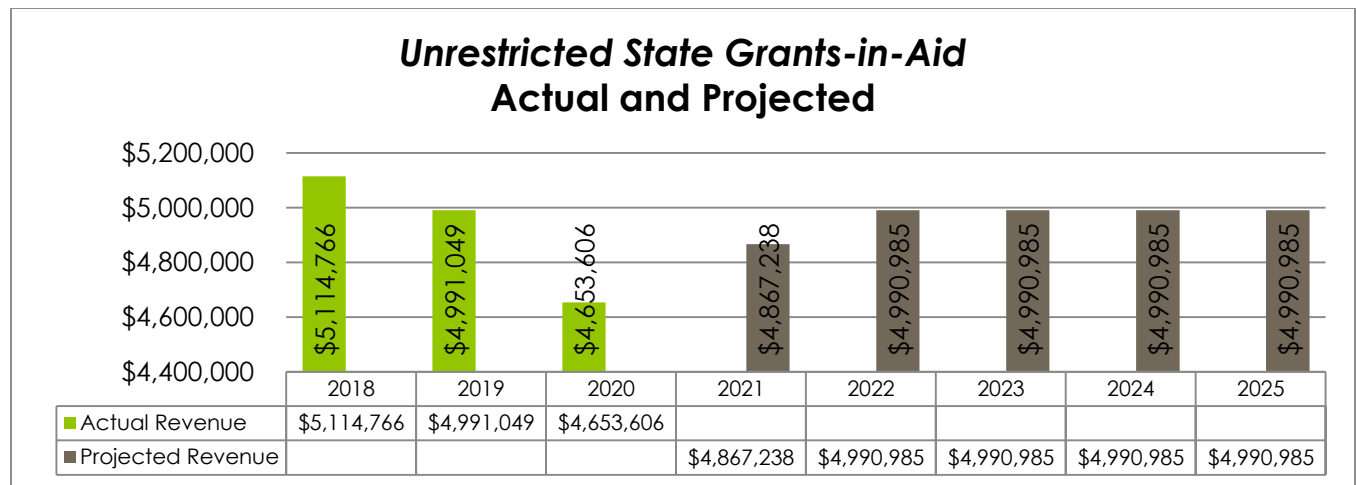
A 1.25% earned income tax was placed on the ballot for the May 8, 2018 election and passed. It is anticipated to generate a minimum of \$1,967,166 per year (once it reaches full collection) based on estimates from the Ohio Department of Taxation (ODT). We only collected a partial amount of \$151,841 in the first year, fiscal year 2019, and collected a partial amount of \$1,620,948 in fiscal year 2020 based on income tax collection timelines from ODT. Additionally, we expect the collected amount to increase an estimated 2.5% per year based on a five year average of income data provided by the Ohio Department of Taxation including revisions based on the impact of the coronavirus fiscal crisis. The levy officially passed and collection began January 1, 2019 for a period of five years. **We actually reached full collection in FY21 and collected \$357,274 more than our initial \$1,986,542 “covid reduced” estimate. Future collections have been adjusted accordingly.**

1.035 – Unrestricted State Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



Changes in total valuation, along with a statewide decrease in the % of transportation funding received (50% 2017, 37.50% 2018 & 25% 2019) drove the district back on the guarantee resulting in a 2019 Guarantee amount of \$803,387 to maintain the level of funding received in 2017. MP is still on the guarantee under the new 2020/2021 state biennial budget and future years in the forecast remain flat. Due to the coronavirus fiscal crisis, the amount of revenue received from the State of Ohio for Unrestricted Grants-in-Aid was cut by \$337,443 in FY20, but was restored in FY21. We project restored levels to remain flat for FY21-25.



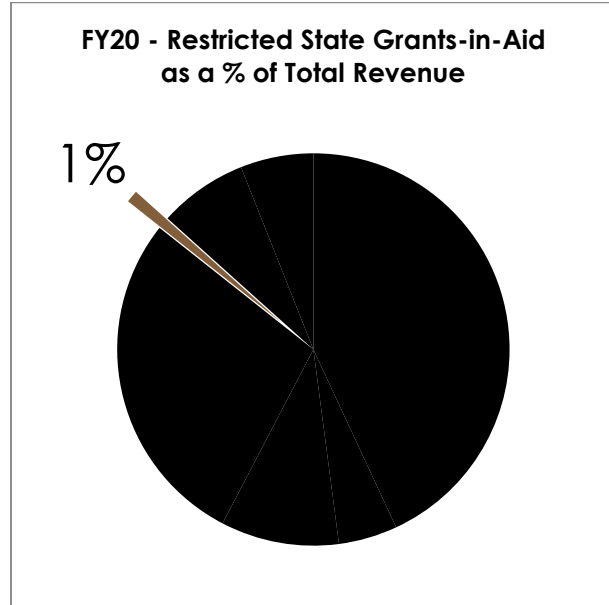
The **HB49** 2018 & 2019 biennial budget, placed Madison-Plains back on the funding guarantee, and set funding at 2017 levels. This flat funding is due to an increase in the 3 year average total property valuation. The average valuation went from including one high valuation year (2015) to two high valuation years (2015 & 2016) which significantly increased our 3 year average total valuation by 10%. The high valuation years were a result of the CAUV increases.

Under the **HB166** biennial budget, the district remains on a guarantee for 2020 & 2021 at 2017 levels for state revenue included in the forecast. Further funding was reduced at the end of 2020 by -\$337,443 ~~and remains that reduced amount~~ but was restored in 2021 due to the coronavirus fiscal crisis. 2022-2025 Forecasted years for this revenue line remain flat **at restored levels**.

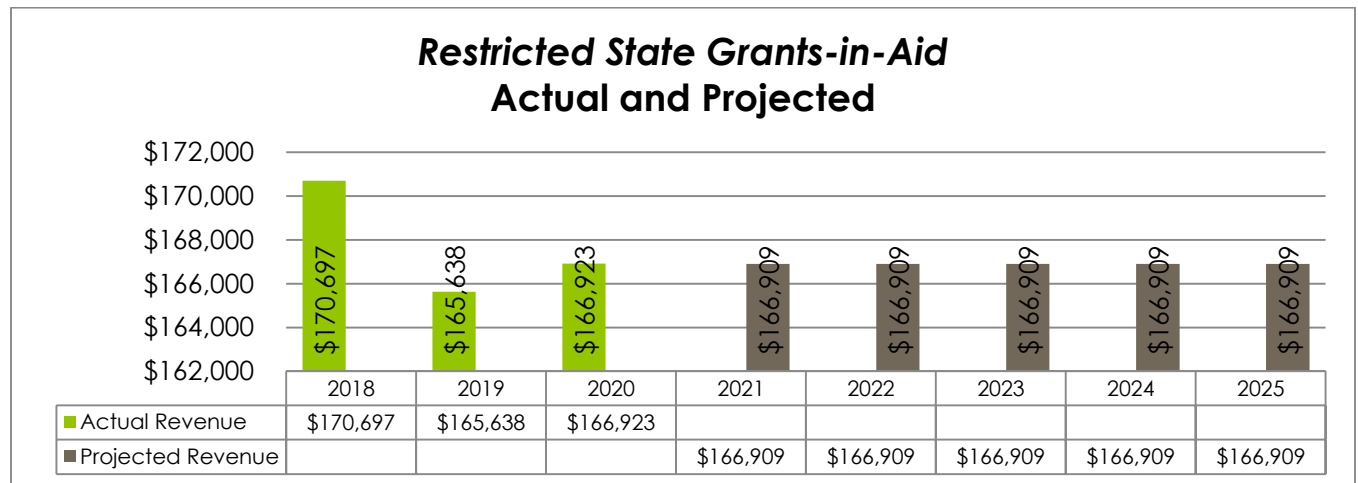
The recent 2022-2023 state biennial budget passed by the Ohio House of Representatives includes the “Fair School Funding Plan”. MP could see a slight increase in funding if this version of the budget is signed in to law by June 30th. The budget is currently being debated in the Senate.

1.040 – Restricted State Grants-in-Aid

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



Our current Economic Disadvantaged Percentage is nearly 42%. These children are on free or reduced lunch, exempt from paying academic fees per the Ohio Revised Code.

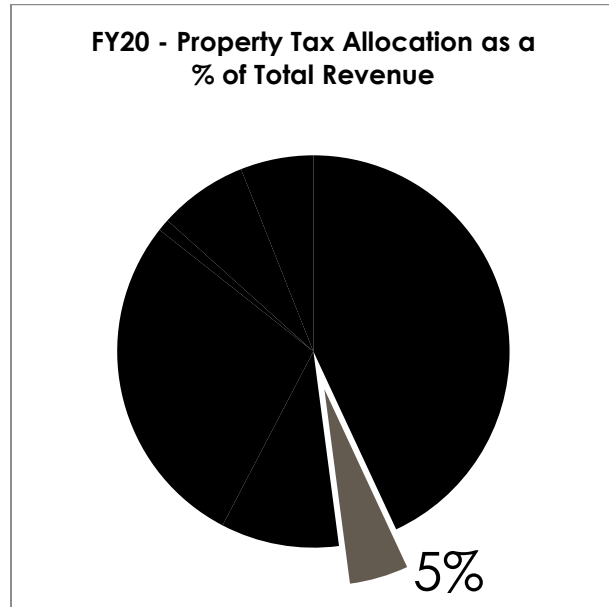


Career Tech per pupil funding has been included in the total guarantee within the state funding formula. 2021 & future years in the forecast are projected at 2019 levels & remain flat.

Economically disadvantaged funding is projected to increase slightly due to a slight increase (<1%) in our number of economically disadvantaged students, but due to being on the guarantee, overall state funding will remain flat. For this reason, economically disadvantaged funding for 2020 and future years is also projected at 2019 levels and remains flat.

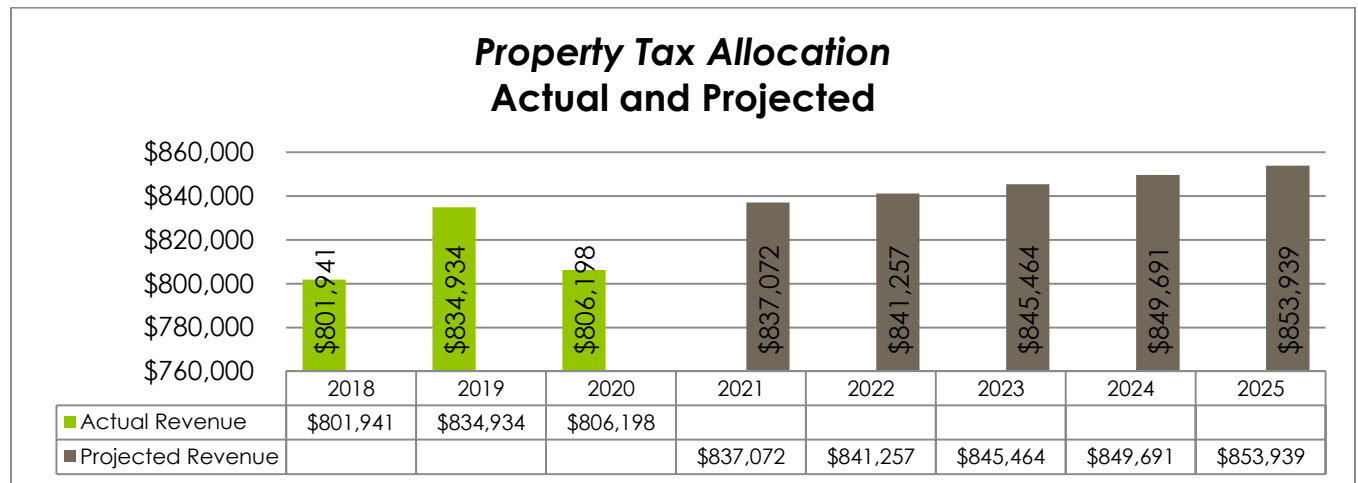
1.050 – Property Tax Allocation

Includes funds received for Tangible Personal Property Tax (TPP) Reimbursement, Electric Deregulation, Homestead and Rollback (H&R).



Homestead & Rollback (H&R) reimbursement from the State will generally grow with new construction, reappraisals, updates & new levies.

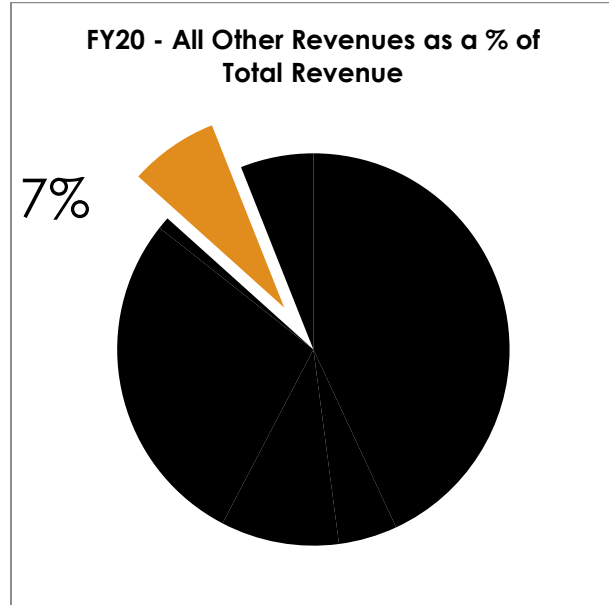
The TPP Reimbursement from the state referenced above in 1.035 was accounted for in this line 1.050. The TPP Reimbursement was reduced by approximately \$341,599 in 2016, & has been eliminated in 2017 and all future years of the forecast.



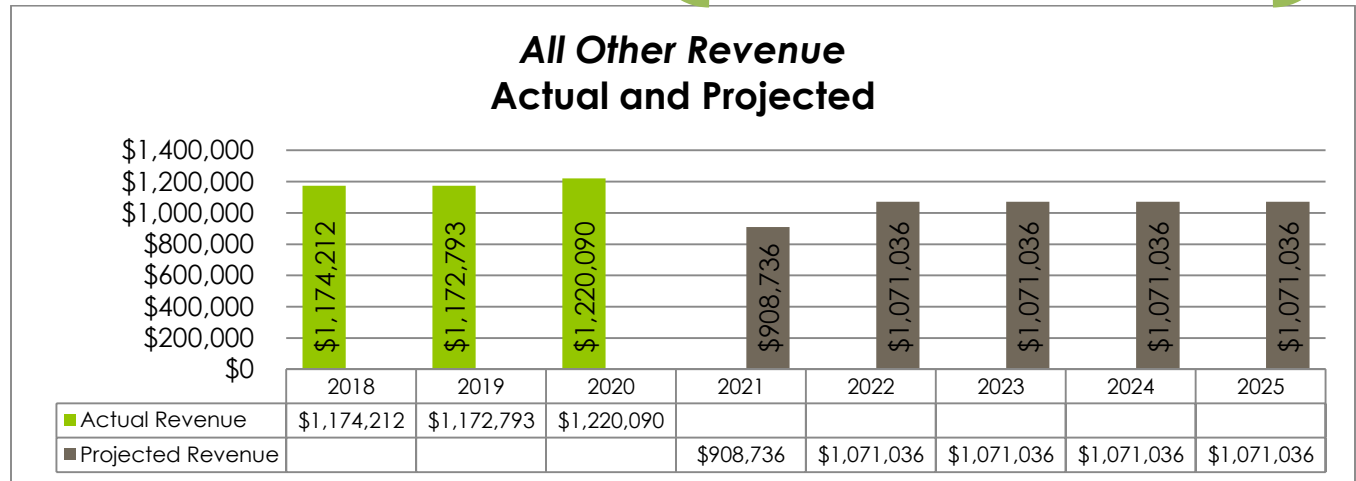
This line includes funds received for Tangible Personal Property Tax Reimbursement (as discussed above), Electric Deregulation, and Homestead and Rollback.

1.060 – All Other Revenues

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



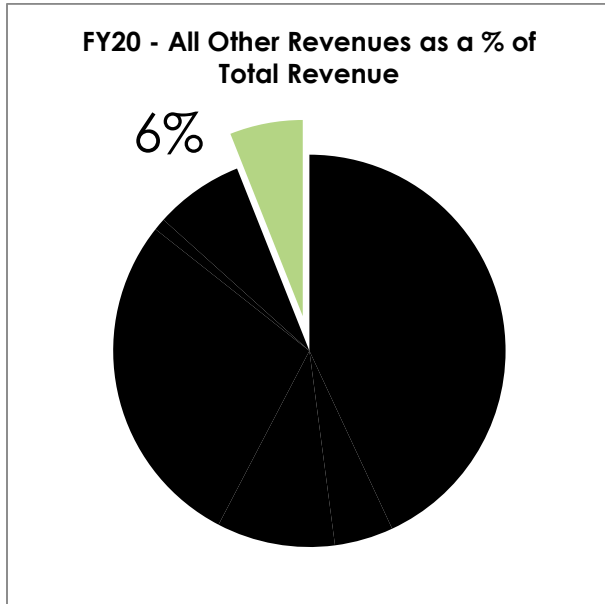
The Village of Mt. Sterling enterprise zone agreement is estimated to collect \$30,000 in each year of the forecast. This is a reduction of \$20,000 due to the current coronavirus financial crisis. Also, the Board approved a “Pay to Participate” fee for fiscal year 2019 for athletics & band in the amount of \$100 per activity per season (\$200 maximum per season per family). This fee generated approximately \$30,000 in 2019, but collection was suspended in 2020 by the Board. The main revenue amount in this area is due to students living outside the district, but open enrolled to MP. Open enrolled students have decreased from 131 in FY16 to 106 in FY20 causing revenue in this area to decrease. There looks to be a significant open enrollment loss in FY21 likely due to the coronavirus.



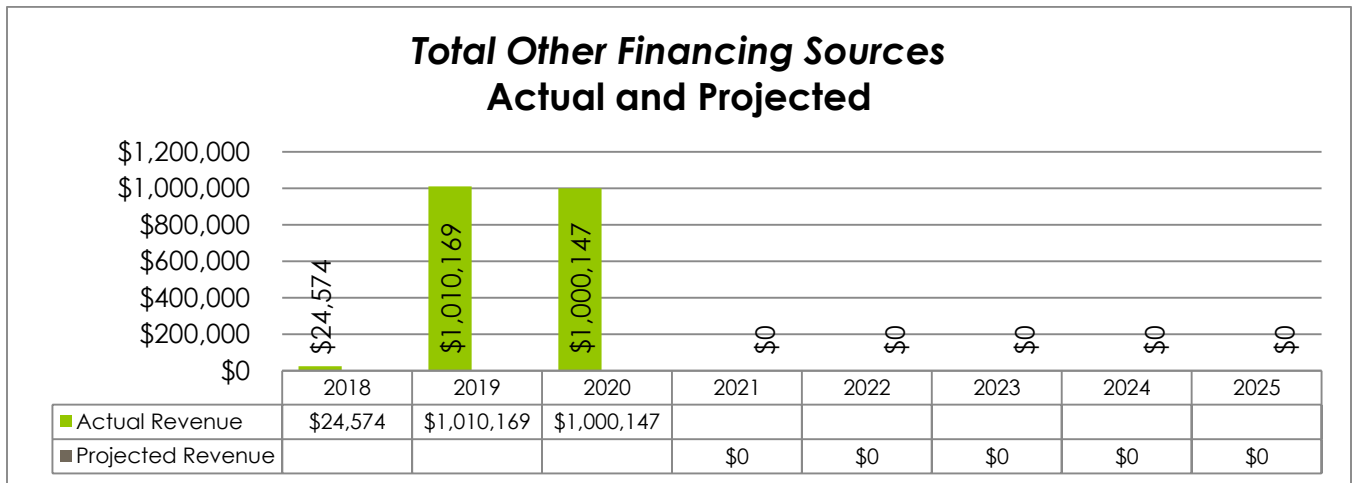
Interest rates have been and are projected to remain low throughout this forecast. Open Enrollment has decreased in recent years. 2021 and future years in the forecast are projected at 2021 levels and remain flat. **A -\$162,300 decrease in this line was realized in FY21 due mostly to decreased open enrollment revenue likely due to students choosing alternative virtual learning options due to the pandemic. We expect a return to pre-covid levels in FY22 and remaining years of the forecast.** An increase in 2020 was due in large part to a \$27,400 BWC refund and a \$25,000 donation for community engagement. None of these are guaranteed in 2021 or remaining years of the forecast.

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.



This area normally accounts for the sales of assets. The historical amounts have fluctuated, but have been relatively minor amounts received in total. Revenue from a \$1,000,000 short-term Tax Anticipation Note (TAN) was accounted for in this revenue line. This amount was received and repaid during fiscal year 2019. An additional TAN for the same amount was needed in fiscal year 2020.



By nature this type of revenue fluctuates; therefore, no attempt at an estimate for 2021 and future years in the forecast has been made.

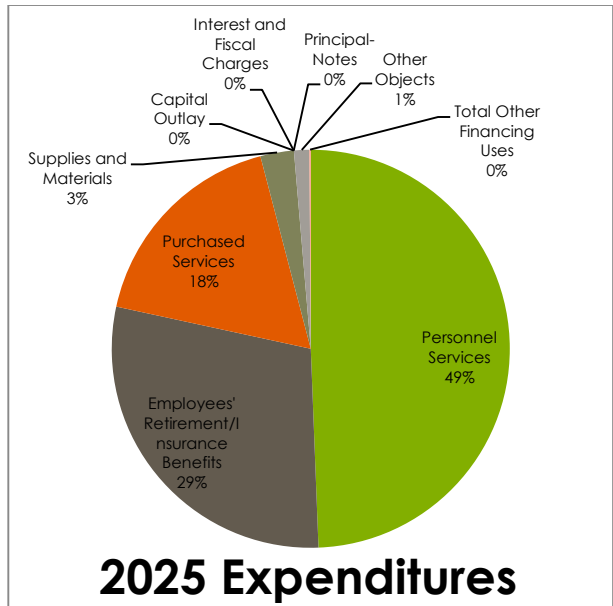
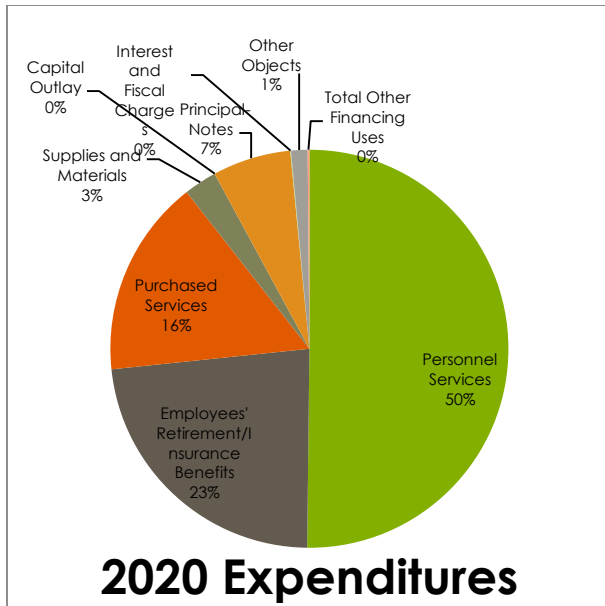
Expenditure Overview

Expenditures:	Historical Annual Avg Change	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	5yr Annual Avg Change
3.010 - Personnel Services	-0.6%	0.6%	4.2%	2.8%	2.9%	2.8%	2.7%
3.020 - Employees' Retirement/Insurance Benefits	5.7%	6.7%	9.9%	7.3%	7.4%	7.5%	7.8%
3.030 - Purchased Services	-4.0%	11.9%	9.7%	1.0%	1.0%	1.0%	4.9%
3.040 - Supplies and Materials	-5.4%	28.0%	-10.8%	1.0%	1.0%	1.0%	4.0%
3.050 - Capital Outlay	-79.9%	-100.0%	0.0%	0.0%	0.0%	0.0%	-20.0%
4.020 - Principal-Notes	0.0%	-100.0%	0.0%	0.0%	0.0%	0.0%	-20.0%
4.060 - Interest and Fiscal Charges	0.0%	-100.0%	0.0%	0.0%	0.0%	0.0%	-20.0%
4.300 - Other Objects	-2.9%	2.5%	2.3%	1.0%	1.0%	1.0%	1.6%
4.500 - Total Expenditures	3.4%	-1.9%	6.1%	3.6%	3.7%	3.7%	3.0%
5.040 - Total Other Financing Uses	657.0%	-9.5%	0.0%	0.0%	0.0%	0.0%	-1.9%
5.050 - Total Expenditures & Other Financing Uses	3.2%	-1.9%	6.1%	3.6%	3.7%	3.7%	3.0%

Along with the passage of the earned income tax described in the revenue section, the budget reduction plan for expenditures has played a significant role in the district maintaining a positive general fund balance through 2023 of the forecast. Significant changes in 2019 included position eliminations, a base salary freeze for all staff, a one year elimination of tuition reimbursement, and an elimination of capital outlay from the general fund.

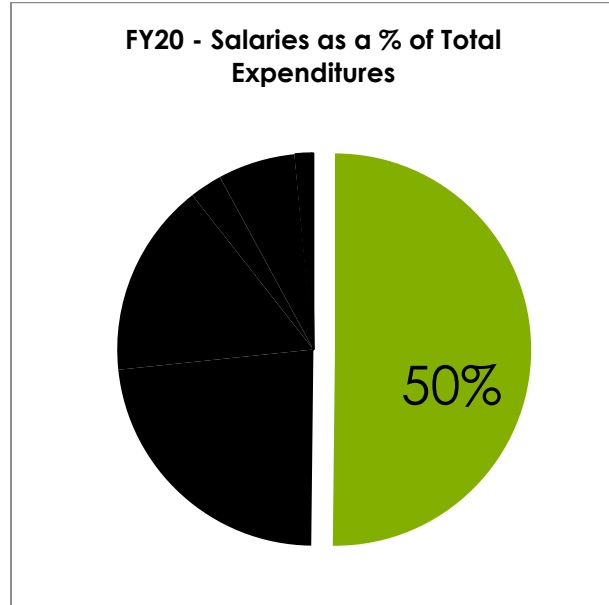
The fiscal year 2019 Board approved budget reduction plan was lifted (in part) by the Board in fiscal year 2020 resulting in certain unfilled supplemental positions being considered to be filled and successful union negotiations that ended the base rate freeze for all employees.

The largest relative increases are projected in Employee Benefits as medical insurance costs continue to increase at a greater rate than other expenses; **FY22 was adjusted to our confirmed rate of 5.5% (down from our 10% est.)** We also realize large increases in Purchased Services due new **or additional** costs for preschool services, virtual instruction (MPVS), **special education and technology** as a result of the coronavirus pandemic and the return of school nurse, speech and psychology services to the general fund due to the expiration of Student Wellness and Success Funds (SWSF) in FY21.



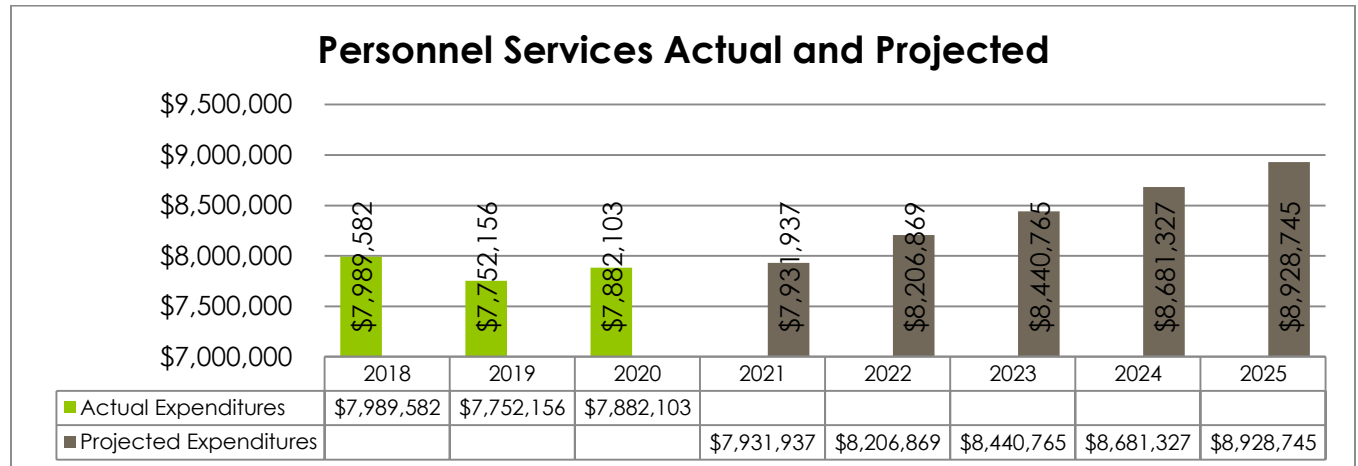
3.010 – Personnel Services

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



After a base salary freeze in 2019, the district agreed to 3 year negotiated agreements with both associations (MPEA & OAPSE).

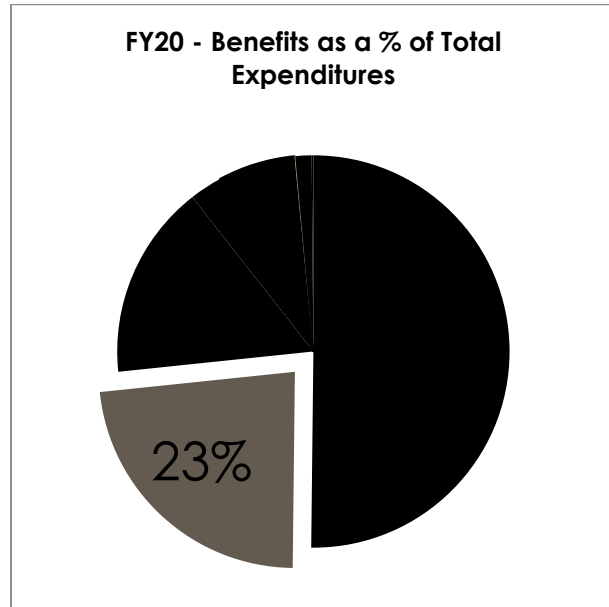
The MPEA agreement includes a first of its kind performance based salary schedule; The Madison-Plains Compression Alternative Salary Schedule (MP COMPASS).



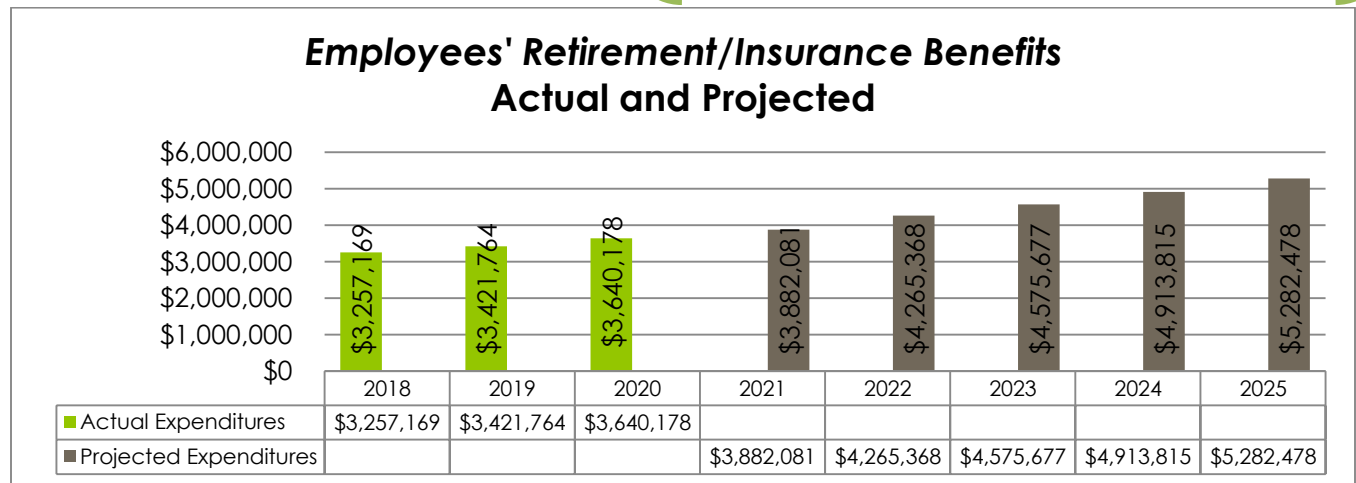
The School District is entering the 2nd year of a 3 year negotiated agreement with the Madison Plains Education Association and the Ohio Association of Public School Employees. The MPEA contract calls for a 1% base increase in the 1st year, and 2% increases in years 2 & 3 on a traditional column & step salary schedule (Legacy Schedule), as well as an optional performance based alternative salary schedule (MP COMPASS Schedule) at an approximate 7% overall increase in the 1st year based on initial opt-in placement & incentives, and 2% overall increases in years 2 & 3. The OAPSE contract calls for a 2% base increase in the 1st & 2nd year and 2.25% increase in year 3 of the agreement on a traditional column & step salary schedule. A number of supplemental positions reduced in 2019 were filled in 2020 & 2021. The 2019 budget reduction plan elimination of an administrative position (director of operations), not filling of a teaching position (2nd grade), elimination of a 5th reading specialist position, and elimination of 3 aide positions (all primarily through attrition) have been maintained and remain unfilled in 2021. Additionally in 2021 through attrition we did not fill a 4th reading specialist position (3 remain), a secretary position & and have also currently not filled a technology teaching position; however, we project the potential return of the tech position, the filling of the unfilled 2nd grade teaching position and likely a mid-year filling of a 5th grade teaching position vacancy created due to staff realignment as a result of the ongoing coronavirus pandemic. Finally, it should be noted that our instructional coaches are being used as virtual classroom teachers which has allowed for many of these unfilled positions to remain unfilled; This will change if more students return to in-person classroom instruction.

3.020 - Employees' Retirement/Insurance Benefits

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



Following an increase of 9% for medical insurance in FY 2019, a 12% increase was realized in FY 2020 and a 7.5 % increase for FY21. 10% increases are estimated in future years of the forecast due to this trend. Managing HRA contribution amounts allowed the district to maintain the current plan design and benefits at an overall increase of less than 10% for fiscal year 2019; however, an overall increase of 15% was realized by the district for 2020 as HRA amounts were increased 25% due to declining HRA balances. This is down to an overall increase of 7.5% in 2021 **& 5.5% for 2022**



Beginning in fiscal year 2020 the following “cap” was agreed upon. If medical/drug insurance premium renewal increases exceed 12% (previously 10%) then the unions will meet with the Insurance committee to approve insurance plan design changes that will reduce the premium increase to 12%. If no recommendation is made to change plan design then the Board of education may implement plan design changes that reduce the premium to 12%. If no plan design changes are made then the increase in premium above 12% will be split 50/50.

(Continued on next page)

3.020 - Employees' Retirement/Insurance Benefits (continued)

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

In 2015 the District joined the Southwestern Ohio EPC, a consortium of schools created to provide group purchasing power for the membership. The insurance consortium within the EPC is a self-insured pool. Based on the renewal provided by Southwestern Ohio EPC our increase for 2018 was 5%, 9% in 2019, 12% in 2020 and a 7.5% increase for 2021. Future years of the forecast are projected at 10% increases.

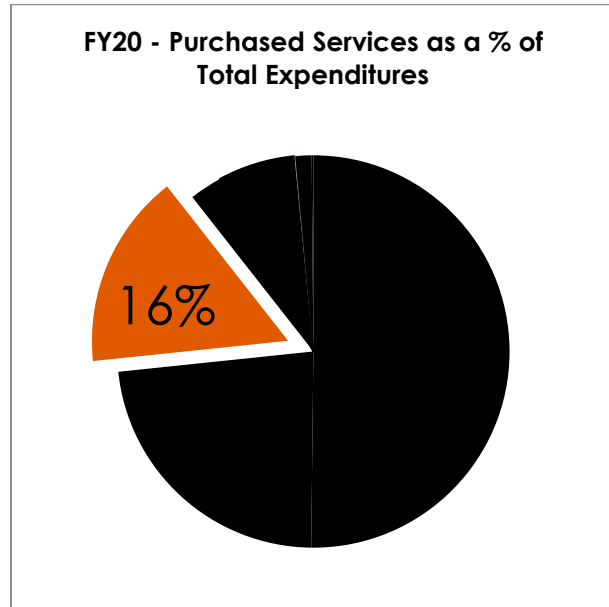
In 2013 the insurance committee recommended & the Board approved the implementation of a "GAP" insurance program. The individual and family plan deductibles were raised to \$5,000 and \$10,000 respectively. This lowered our premiums considerably. With this savings the district purchased GAP insurance to help pay the much higher deductible for the employees. In 2015 this GAP insurance was provided through the use of an HRA. This reduced the cost of the GAP insurance by allowing the district to only pay for the expenses incurred as opposed to a fixed amount paid annually. This GAP insurance was not part of previous Master Agreements with MPEA or OAPSE; however, it was made part of the most recent agreement that runs from August 2019 through the summer of 2022. As part of the negotiation process, the amount of the HRA paid for by the District was decreased from 95% in 2015 to 90% in 2016, 80% in 2017, 80% in 2018 & 2019, and remains 80% through 2022.

The HRA and FSA portion of the health plan that used to be accounted for as operating transfers-out in 2018 is now accounted for in line 3.020 as it more accurately assigns the costs to multiple accounts, as opposed to a one time transfer from the 001 general fund to the 024 fund.

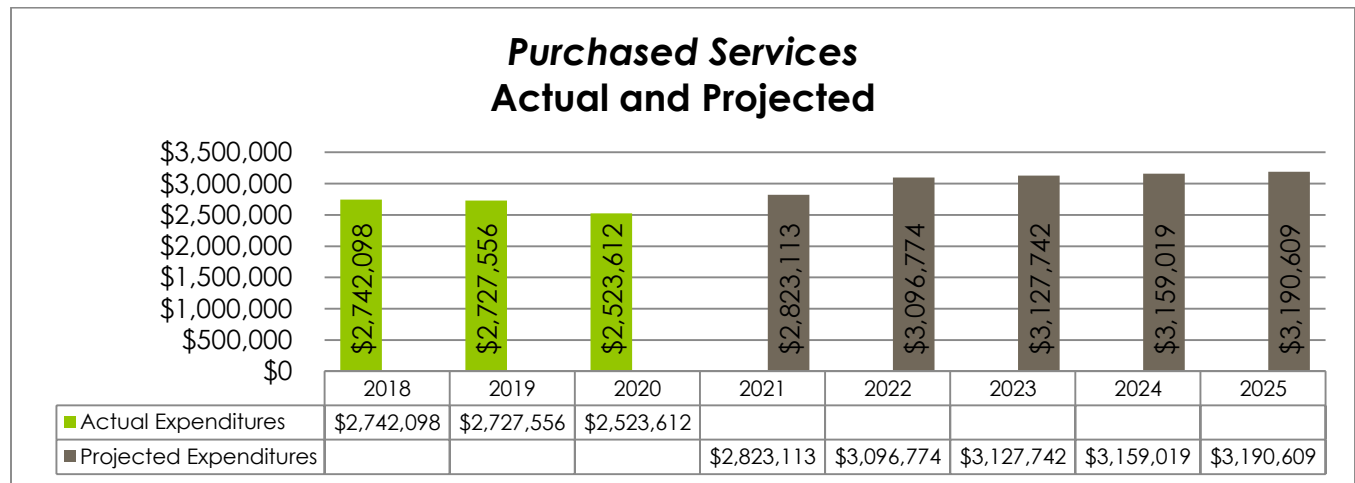
Amounts to fund the HRA accounts were reduced 25% in both 2018 and 2019; however, due increased claims the amount had to be increased by 25% in 2020. Increases in 2021 follow the 7.5% premium rate increase, **and will follow the 5.5% increase in 2022. In addition to rate increases an increase in this line is projected in FY22 due to the addition of multiple federally funded ESSER/ARP positions; Salaries are projected to be paid by the federal grants for these positions; however, as will all our grant funded positions, benefits are projected to be paid by the 001-General fund.**

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.



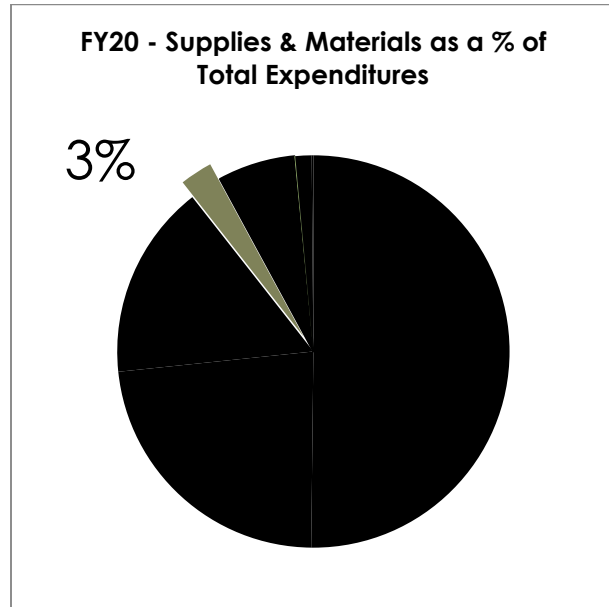
*Psychologist & school nurse contracts previously paid from this line are now paid with Fund 467 Student Wellness & Success funds. These 467 funds are only guaranteed for 2020 & 2021 as part of the state biennial budget. These costs return to this line in 2022 and future years of the forecast. Additionally, new preschool (Fairhaven), **special education, technology** & virtual curriculum (MPVS) costs have increased the forecasted amounts in this area for 2021 through 2025.*



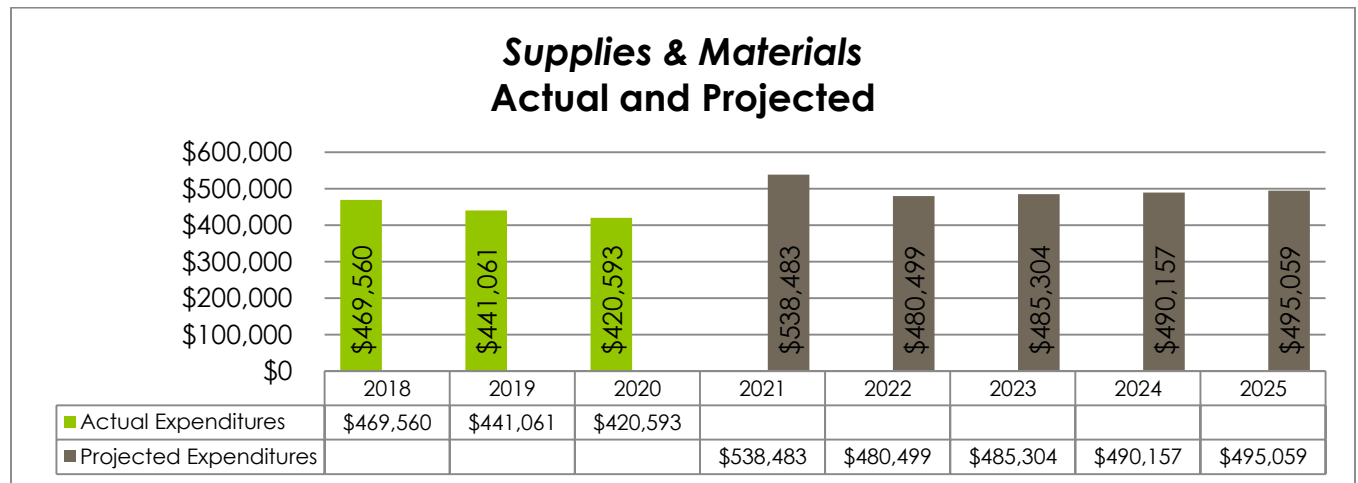
The largest expenditures in this category are for the open enrollment payments for resident students attending other districts; this number has continued to increase, resulting in an increase in open enrollment payments to other districts made worse in 2021 by the coronavirus pandemic. A 1% increase is projected in 2023 through 2025. Other costs include district psychologist, speech therapist, school nurse, utilities (electric, gas, phone) & auditor/treasurer fees. Madison-Plains LSD & other districts in Madison County formalized a shared services agreement for the education of special education (MD & ED) students in 2020 through the Madison-Champaign ESC. This change in structure increased this line. Also, preschool costs have increased due to a restructuring of services offered through the Madison County Board of Developmental Disabilities. Psychologist and school nurse contracts previously paid from this line have been removed for 2020 & 2021 and are now paid for with Fund 467 Student Wellness & Success funds. These 467 funds are only guaranteed for 2020 & 2021 as part of the state biennial budget. These costs return to this line in 2022 through 2025.

3.040 - Supplies & Materials

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



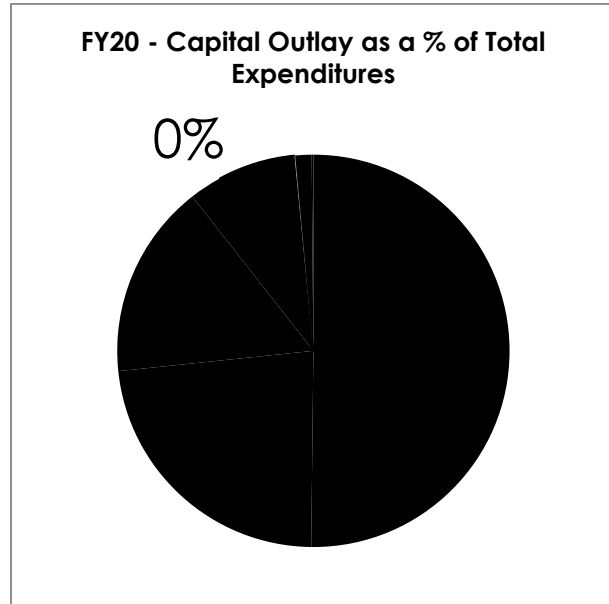
With no guarantee that a levy would be passed **in 2018** (thankfully it did pass!), the district achieved a decrease in supplies & materials expense in fiscal years 2018, 2019 **& 2020**. These amounts increased in ~~2020~~ **2021** as amounts returned to more normal levels. Despite the increase in ~~2020~~ **2021** costs are expected to remain below 2017 levels for all future years of the forecast. ~~Additional costs projected in this line are to account for PPE and cleaning supplies due to the coronavirus~~



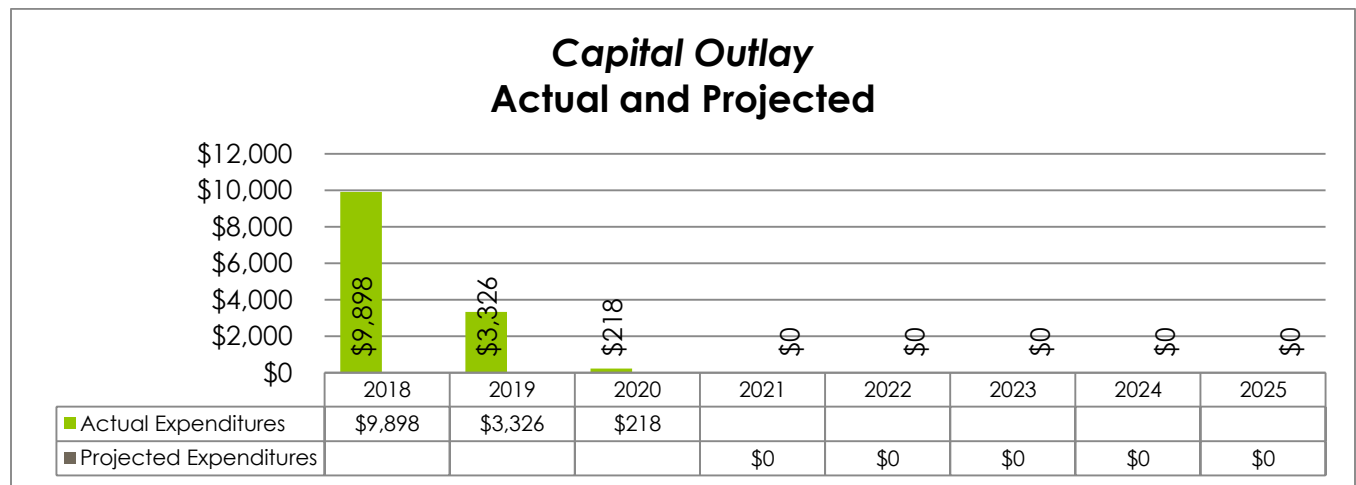
Typically, increases in this account are projected at 1%; however a larger 6.7% increase is budgeted for 2021 as a result of additional PPE and cleaning supplies due to the coronavirus pandemic. 2022 through 2025 are projected at typical 1%. ~~increases and the need for additional PPE and cleaning supplies remains.~~

3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvement of grounds, equipment, computers/technology, furnishings, and buses.



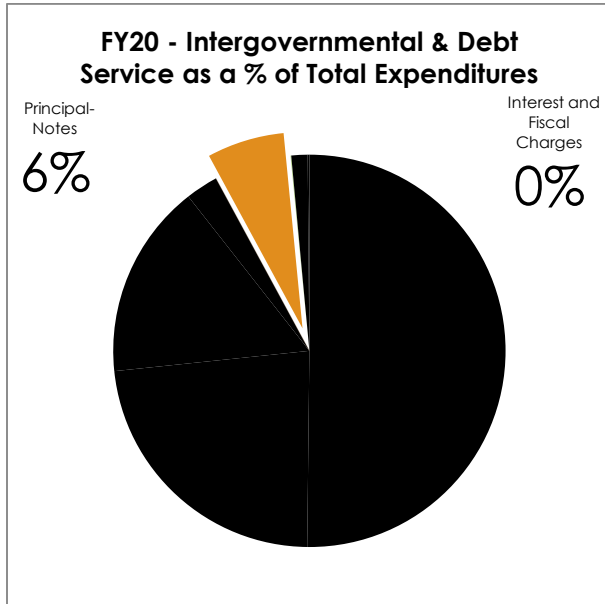
Capital Outlay expenses have been shifted entirely to the Permanent Improvement fund as part of the Board approved budget reduction plan.



These expenses began to be shifted to the Permanent Improvement fund in fiscal year 2016, until they were completely eliminated from the General fund, and shifted entirely to the Permanent Improvement fund in fiscal year 2019 with only small amounts remaining due to carryover encumbrances. Due to this, the renewal of the Permanent Improvement (PI) Levy in 2023 is vital to the continued operations of the district.

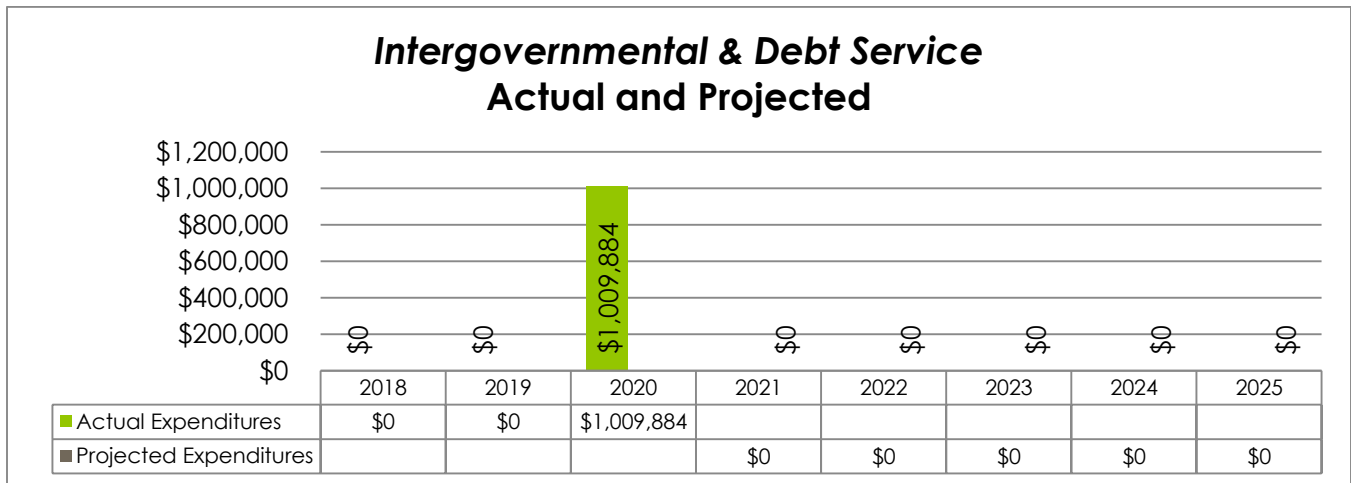
3.060-4.060 - Intergovernmental & Debt Service

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.



The District has no long-term debt. A HB264, Energy Conservation Program debt was paid in full in 2017.

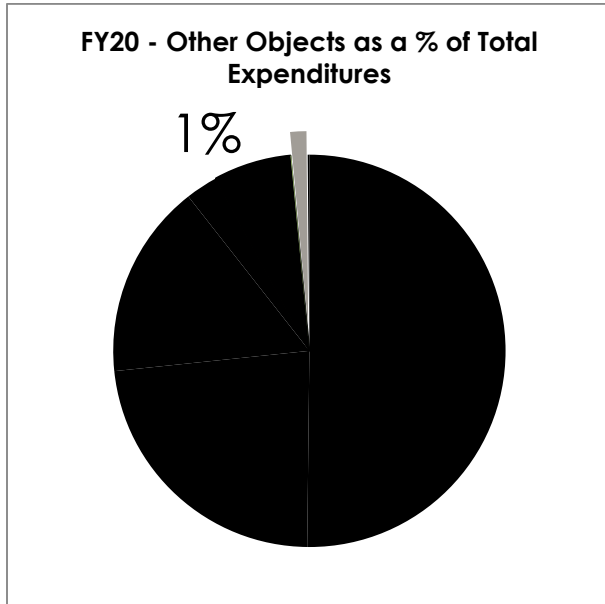
This is where the short term (<1yr) Tax Anticipation Note (TAN) repayment was recognized in 2020. Previously 2019 it was processed as a transfer to the 002 Debt Service fund.



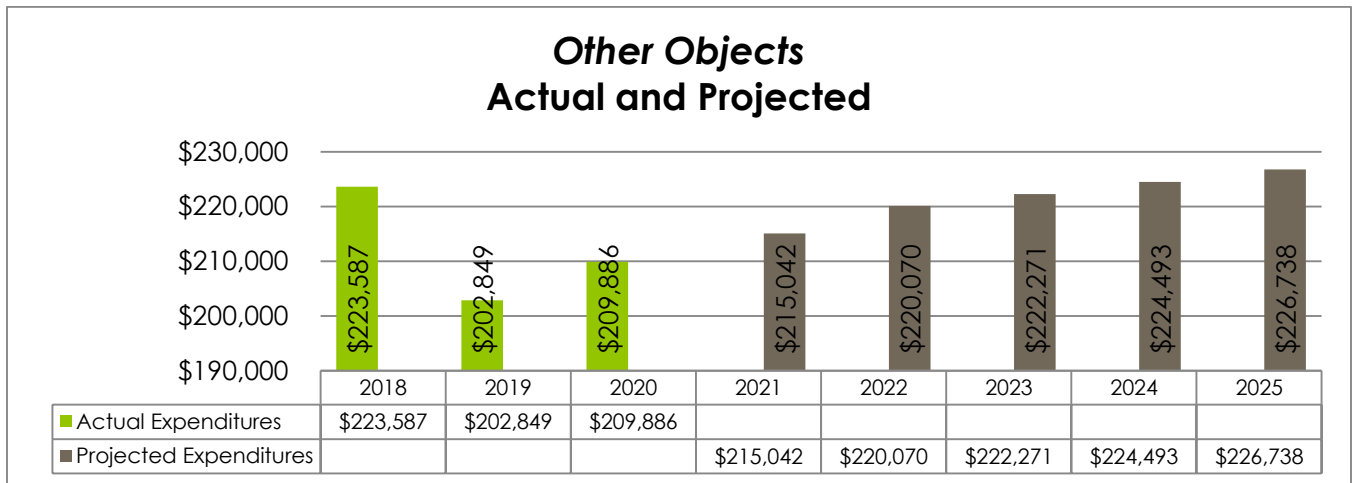
The district required the use of short-term Tax Anticipation Notes (TAN's) in FY2019 and FY2020 due to not reaching full collection of the earned income tax effective January 2019, property tax disbursements only received twice per year, and payroll & other operating expenses required to be paid throughout the year. We anticipate full collection of the income tax in FY2021 which should eliminate the need for future TAN's.

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.



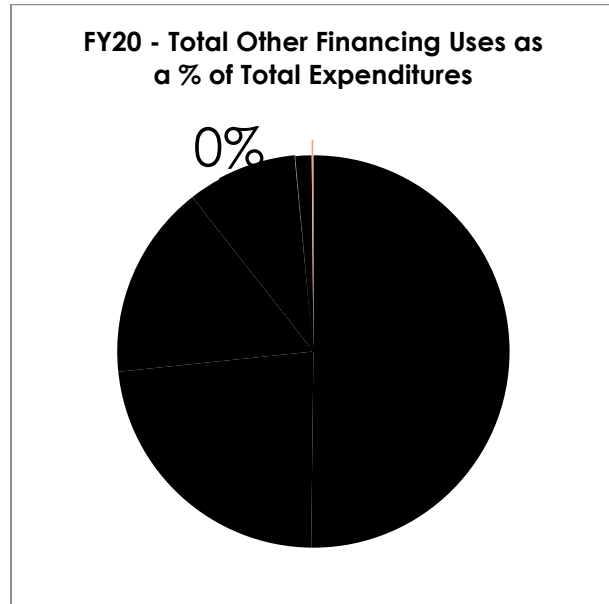
Other expenditures are primarily tied to revenue collection costs consisting of county auditor and treasurer fees.



County auditor and treasurer fees are based on a percentage of total tax revenues so the projected expenditures will increase as projected tax revenue increase. Elections costs will also increase or decrease based on the number of attempts and type of election (special, primary, general etc.).

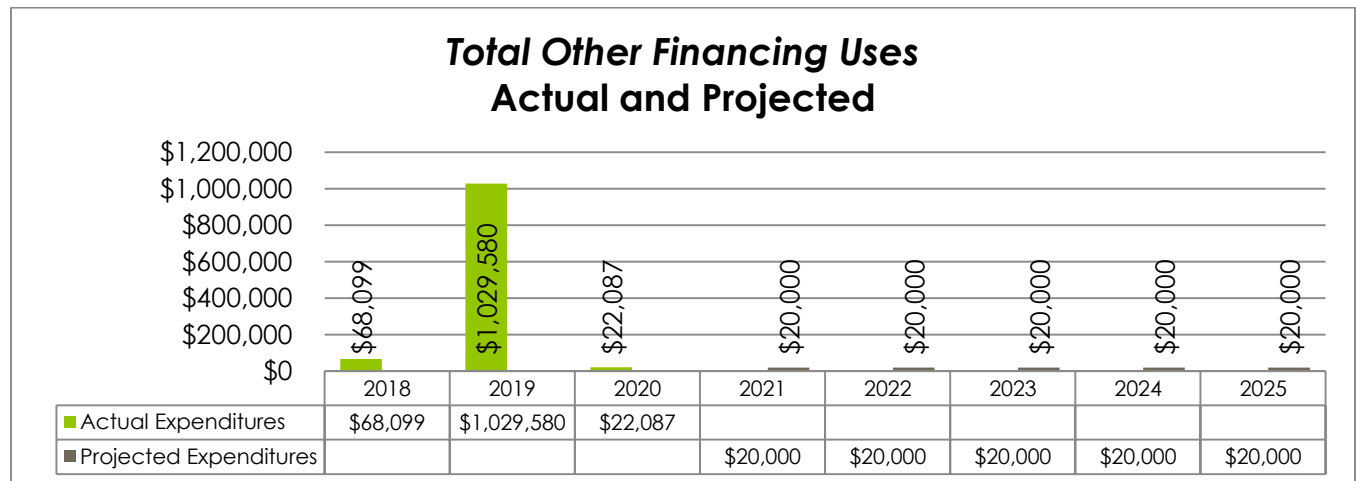
5.040 - Total Other Financing Uses

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



This is where the short term (<1yr) Tax Anticipation Note (TAN) repayment was previously processed in 2019 as a transfer to the 002 Debt Service fund.

This is now processed through the "3.060-4.060 - Intergovernmental & Debt Service" line accounts above.



The HRA and FSA portion of the health plan that used to be accounted for in 2017 & 2018 as operating transfers-out is now accounted for in line 3.020 as it more accurately assigns the costs to multiple accounts, as opposed to a one time transfer from the 001 general fund to the 024 fund.

Short term (<1yr) Tax Anticipation Note (TAN) repayment was previously processed in 2019 as a transfer to the 002 Debt Service fund, but is now processed through the "3.060-4.060 - Intergovernmental & Debt Service" line accounts above.

The \$20,000 portion of 2020 and \$20,000 projected in 2021 through 2025 accounts for the distribution of the farm rent received from MP FFA to other funds as determined by the superintendent and approved by the board.

Forecast Compare

Comparison of Previous Forecast Fiscal Year 2020 Amounts (Projected) to Current Forecast Fiscal Year 2020 Amounts (Actual)

Fiscal Year 2020

	Nov-19	May-21	\$Amount Difference Previous vs. Current	%Percent Difference Previous vs. Current
	Previous Forecast	Current Forecast		
	Fiscal Year (projected) 2020	Fiscal Year (actual) 2020		
Revenue:				
1.010 - General Property Tax (Real Estate)	\$ 6,507,185	\$ 7,162,376	\$ 655,191	10.1%
1.020 - Tangible Personal Property Tax	\$ -	\$ -	\$ -	0%
1.030 - Income Tax	\$ 1,722,662	\$ 1,620,948	\$ (101,714)	0%
1.035 - Unrestricted State Grants-in-Aid	\$ 4,991,408	\$ 4,653,606	\$ (337,802)	-6.8%
1.040 - Restricted State Grants-in-Aid	\$ 166,914	\$ 166,923	\$ 9	0.0%
1.050 - Property Tax Allocation	\$ 837,069	\$ 806,198	\$ (30,871)	-3.7%
1.060 - All Other Revenues	\$ 1,111,502	\$ 1,220,090	\$ 108,588	9.8%
1.070 - Total Revenues	\$ 15,336,740	\$ 15,630,141	\$ 293,401	1.9%
2.070 - Total Other Sources	\$ 1,000,000	\$ 1,000,147	\$ 147	100%
2.080 - Total Revenue & Other Sources	\$ 16,336,740	\$ 16,630,288	\$ 293,548	1.8%

Comparison of 2020 forecasted vs. actual revenue revealed an increase of 1.8% due primarily to a property tax receipts & conservative valuation estimates.

Expenditures:

3.010 - Personnel Services	\$ 8,124,539	\$ 7,882,103	\$ (242,436)	-3.0%
3.020 - Employees' Retirement/Insurance B	\$ 3,789,307	\$ 3,640,178	\$ (149,129)	-3.9%
3.030 - Purchased Services	\$ 2,780,579	\$ 2,523,612	\$ (256,967)	-9.2%
3.040 - Supplies and Materials	\$ 530,781	\$ 420,593	\$ (110,188)	-20.8%
3.050 - Capital Outlay	\$ 1,000	\$ 218	\$ (782)	-78.2%
4.020 - Principal-Notes	\$ 1,000,000	\$ 1,000,000	\$ -	0.0%
4.060 - Interest and Fiscal Charges	\$ 10,000	\$ 9,884	\$ (116)	-1.2%
4.300 - Other Objects	\$ 207,141	\$ 209,886	\$ 2,745	1.3%
4.500 - Total Expenditures	\$ 16,443,347	\$ 15,686,474	\$ (756,873)	-4.6%
5.040 - Total Other Financing Uses	\$ 20,000	\$ 22,087	\$ 2,087	10.4%
5.050 - Total Expenditures & Other Financir	\$ 16,463,347	\$ 15,708,561	\$ (754,786)	-4.6%

Comparison of 2020 forecasted vs. actual expenditures revealed a decrease of -4.6% due to conservative estimates & savings.

Beginning Cash Balance

Beginning Cash Balance	\$ 1,682,442	\$ 1,682,443	\$ 1	0.0%
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Revenues over (under) Expenditures

Revenues over (under) Expenditures	\$ (126,607)	\$ 921,727	\$ 1,048,334	-828.0%
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Ending Cash Balance

Ending Cash Balance	\$ 1,555,835	\$ 2,604,170	\$ 1,048,335	67.4%
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In summary, forecasting 1yr in advance, we realized 1.8-4.6% overall variances; receiving more & spending less.

Forecast Compare (continued)

Comparison of Previous Forecast Fiscal Year 2021 Amounts (Projected) to Current Forecast Fiscal Year 2021 Amounts (Projected)

Fiscal Year 2021

	Nov-20	May-21	\$Amount Difference Previous vs. Current	%Percent Difference Previous vs. Current
	Previous Forecast	Current Forecast		
Revenue:	Fiscal Year (projected) 2021	Fiscal Year (projected) 2021		
1.010 - General Property Tax (Real Estate)	\$ 7,162,376	\$ 7,162,376	\$ -	0.0%
1.020 - Tangible Personal Property Tax	\$ -	\$ -	\$ -	0.0%
1.030 - Income Tax	\$ 1,986,542	\$ 2,343,816	\$ 357,274	18.0%
1.035 - Unrestricted State Grants-in-Aid	\$ 4,603,571	\$ 4,867,238	\$ 263,667	5.7%
1.040 - Restricted State Grants-in-Aid	\$ 166,914	\$ 166,909	\$ (5)	0.0%
1.050 - Property Tax Allocation	\$ 837,072	\$ 837,072	\$ -	0.0%
1.060 - All Other Revenues	\$ 1,071,036	\$ 908,736	\$ (162,300)	-15.2%
1.070 - Total Revenues	\$ 15,827,511	\$ 16,286,147	\$ 458,636	2.9%
2.070 - Total Other Sources			\$ -	
2.080 - Total Revenue & Other Sources	\$ 15,827,511	\$ 16,286,147	\$ 458,636	2.9%

Comparison of 2021 forecasted vs. actual revenue revealed decrease of **-3.9%** increase of **2.9%** due primarily to decreased **increased** income tax & **restored** state foundation funding as a result of the **coronavirus**

Expenditures:				
	Nov-20	May-21	\$Amount Difference Previous vs. Current	%Percent Difference Previous vs. Current
	Previous Forecast	Current Forecast		
3.010 - Personnel Services	\$ 7,931,937	\$ 7,931,937	\$ -	0.0%
3.020 - Employees' Retirement/Insurance B	\$ 3,941,044	\$ 3,882,081	\$ (58,963)	-1.5%
3.030 - Purchased Services	\$ 2,809,910	\$ 2,823,113	\$ 13,203	0.5%
3.040 - Supplies and Materials	\$ 536,683	\$ 538,483	\$ 1,800	0.3%
3.050 - Capital Outlay	\$ -	\$ -	\$ -	
4.020 - Principal-Notes	\$ -	\$ -	\$ -	
4.060 - Interest and Fiscal Charges	\$ -	\$ -	\$ -	
4.300 - Other Objects	\$ 215,042	\$ 215,042	\$ -	0.0%
4.500 - Total Expenditures	\$ 15,434,616	\$ 15,390,656	\$ (43,960)	-0.3%
5.040 - Total Other Financing Uses	\$ 20,000	\$ 20,000	\$ -	
5.050 - Total Expenditures & Other Financir	\$ 15,454,616	\$ 15,410,656	\$ (43,960)	-0.3%

Comparison of 2021 forecasted vs. actual expenditures revealed a decrease of **-2.6%** **-0.3%** due to conservative personnel and insurance estimates & savings.

Beginning Cash Balance				
	Nov-20	May-21	\$Amount Difference Previous vs. Current	%Percent Difference Previous vs. Current
Beginning Cash Balance	\$ 2,604,170	\$ 2,604,170	\$ -	0.0%

Revenues over (under) Expenditures				
	Nov-20	May-21	\$Amount Difference Previous vs. Current	%Percent Difference Previous vs. Current
Revenues over (under) Expenditures	\$ 372,895	\$ 875,491	\$ 502,596	134.8%

Ending Cash Balance				
	Nov-20	May-21	\$Amount Difference Previous vs. Current	%Percent Difference Previous vs. Current
Ending Cash Balance	\$ 2,977,065	\$ 3,479,661	\$ 502,596	16.9%

In summary, forecasting 2yrs in advance, saw a **3.9% decrease** **2.9% increase** in projected revenue due to **the conservative estimates, that could not have been predicted.** Expenditures are within acceptable variances.

Five Year Forecast

May 2021 Five Year Forecast

Madison-Plains Local School District

Madison County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2018, 2019 and 2020 Actual;
Forecasted Fiscal Years Ending June 30, 2021 Through 2025

	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)	6,166,662	6,490,957	7,162,376	7.8%	\$7,162,376	\$7,198,188	\$7,234,179	\$7,270,350	\$7,306,701
1.020 Tangible Personal Property Tax									
1.030 Income Tax		151,841	1,620,948		2,343,816	\$2,402,411	\$2,462,472	\$1,262,017	\$-
1.035 Unrestricted State Grants-in-Aid	5,114,766	4,991,049	4,653,606	-4.6%	4,867,238	\$4,990,985	\$4,990,985	\$4,990,985	\$4,990,985
1.040 Restricted State Grants-in-Aid	170,697	165,638	166,923	-1.1%	166,909	\$166,909	\$166,909	\$166,909	\$166,909
1.050 Property Tax Allocation	801,941	834,934	806,198	0.3%	837,072	\$841,257	\$845,464	\$849,691	\$853,939
1.060 All Other Revenues	1,174,212	1,172,793	1,220,090	2.0%	908,736	\$1,071,036	\$1,071,036	\$1,071,036	\$1,071,036
1.070 Total Revenues	13,428,279	13,807,212	15,630,142	8.0%	16,286,147	16,670,787	16,771,044	15,610,987	14,389,571
Other Financing Sources									
2.010 Proceeds from Sale of Notes		1,000,000	1,000,000						
2.060 All Other Financing Sources	24,574	10,169	147	-78.6%					
2.070 Total Other Financing Sources	24,574	1,010,169	1,000,147	2004.9%					
2.080 Total Revenues and Other Financing Sources	13,452,852	14,817,381	16,630,289	11.2%	16,286,147	16,670,787	16,771,044	15,610,987	14,389,571
Expenditures									
3.010 Personal Services	\$7,989,582	\$7,752,156	\$7,882,103	-0.6%	\$7,931,937	\$8,262,622	\$8,496,107	\$8,740,303	\$8,989,402
3.020 Employees' Retirement/Insurance Benefits	\$3,257,169	\$3,421,764	\$3,640,178	5.7%	\$3,882,081	\$4,285,368	\$4,575,677	\$4,913,815	\$5,282,478
3.030 Purchased Services	\$2,742,098	\$2,727,556	\$2,523,612	-4.0%	\$2,623,113	\$3,096,774	\$3,127,742	\$3,159,019	\$3,190,609
3.040 Supplies and Materials	\$469,560	\$441,061	\$420,593	-5.4%	\$538,483	\$480,499	\$485,304	\$490,157	\$495,059
3.050 Capital Outlay	\$9,898	\$3,326	\$218	-79.9%					
4.020 Principal-Notes			\$1,000,000						
4.060 Interest and Fiscal Charges			\$9,884						
4.300 Other Objects	\$223,587	\$202,849	\$209,896	-2.9%	\$215,042	\$220,070	\$222,271	\$224,493	\$226,738
4.500 Total Expenditures	14,691,894	14,548,711	15,686,474	3.4%	15,390,656	16,325,333	16,909,100	17,527,788	18,184,286
Other Financing Uses									
5.010 Operating Transfers-Out	\$68,099	\$1,029,580	\$22,087	657.0%	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
5.020 Advances-Out									
5.030 All Other Financing Uses									
5.040 Total Other Financing Uses	68,099	1,029,580	22,087	657.0%	20,000	20,000	20,000	20,000	20,000
5.050 Total Expenditures and Other Financing Uses	14,759,993	15,578,291	15,708,561	3.2%	15,410,656	16,345,333	16,929,100	17,547,788	18,204,286
6.010 Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	1,307,141-	760,910-	921,727	-131.5%	875,491	325,453	158,056-	1,936,801-	3,814,715-
7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	3,750,494	2,443,353	1,682,443	-33.0%	2,604,170	3,479,661	3,805,115	3,647,059	1,710,258
7.020 Cash Balance June 30	2,443,353	1,682,443	2,604,170	11.8%	3,479,661	3,805,115	3,647,059	1,710,258	2,104,457-
8.010 Estimated Encumbrances June 30	\$110,000	\$110,000	\$110,000		\$110,000	\$110,000	\$110,000	\$110,000	\$110,000
Reservation of Fund Balance									
9.030 Budget Reserve	\$540,000	\$540,000	\$540,000		\$540,000	\$540,000	\$540,000	\$540,000	\$540,000
9.080 Subtotal	540,000	540,000	540,000		540,000	540,000	540,000	540,000	540,000
10.010 Fund Balance June 30 for Certification of	1,793,353	1,032,443	1,954,170	23.4%	2,829,661	3,155,115	2,997,059	1,060,258	2,754,457-
Revenue from Replacement/Renewal Levies									
11.010 Income Tax - Renewal									
11.020 Property Tax - Renewal or Replacement									
11.300 Cumulative Balance of Replacement/Renewal Levies									
12.010 Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations	1,793,353	1,032,443	1,954,170	23.4%	2,829,661	3,155,115	2,997,059	1,060,258	2,754,457-
Revenue from New Levies									
13.010 Income Tax - New									
13.020 Property Tax - New									
13.030 Cumulative Balance of New Levies									
14.010 Revenue from Future State Advancements									
15.010 Unreserved Fund Balance June 30	1,793,353	1,032,443	1,954,170	23.4%	2,829,661	3,155,115	2,997,059	1,060,258	2,754,457-

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

ADM FORECAST

Enrollment has remained steady as indicated by a -1.1% 3yr average change in enrollment from FY18 to FY20. Our enrollment projections are based on the judgment of the Administration and the Board of Education. Enrollment is believed to stay steady through the forecasted period.