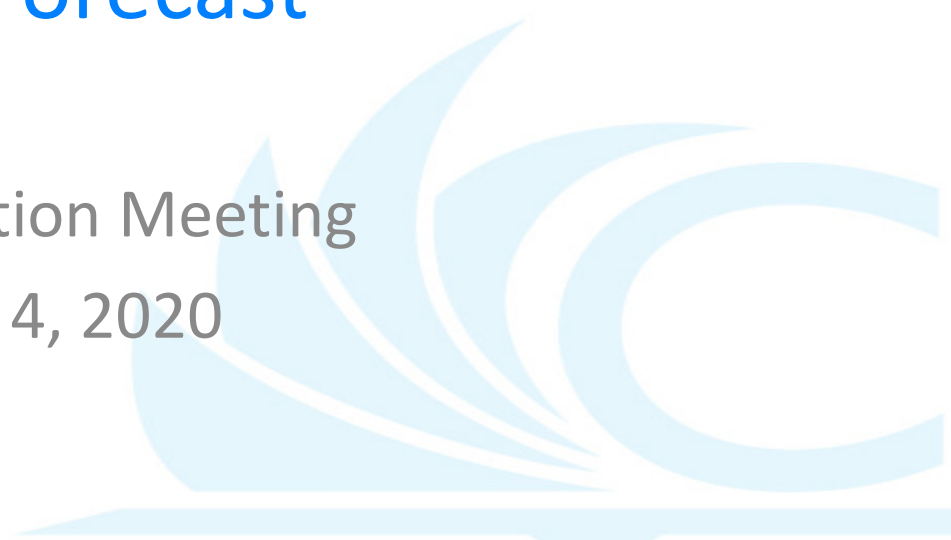




Five Year Forecast

Board of Education Meeting
November 4, 2020



Five-Year Forecast: Pre-Levy

	SY18-19	SY19-20	SY20-21	SY21-22	SY22-23	SY23-24	SY24-25
Total Revenue	\$749.7	\$750.7	\$710.3	\$687.7	\$695.1	\$702.0	\$704.0
Total Expenditures	\$797.5	\$750.9	\$746.1	\$765.1	\$770.8	\$777.1	\$783.8
Net Revenue	(\$47.8)	(\$0.2)	(\$35.8)	(\$77.4)	(\$75.7)	(\$75.1)	(\$79.8)

Ending Cash Balance	\$38.0	\$37.8	\$2.0	(\$75.4)	(\$151.1)	(\$226.2)	(\$306.0)
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Encumbrances	\$17.6	\$15.6	\$16.0	\$16.0	\$16.0	\$16.0	\$16.0
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Unencumbered Balance	\$20.4	\$22.3	(\$14.0)	(\$91.4)	(\$167.1)	(\$242.2)	(\$322.0)
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“Plan B”

If the 20-mill levy passes at the current millage and assessed valuation ... **“Plan A”**

Levy Renewal/New Levy			\$43.3	\$87.6	\$88.8	\$88.8	\$88.8
Unencumbered Balance	\$20.4	\$22.3	\$29.3	\$39.5	\$52.6	\$65.8	\$74.8



Revenue Inputs & Assumptions

- 32.2% of General Fund Revenue comes from Local Property Tax
 - Property values increased 10% with the 2018 reappraisal, from \$4.8 billion to \$5.3 billion
 - As a reminder, due to House Bill 920 (from 1976), the increased valuation reduces our effective tax millage (for example, the 15-mill levy has an effective rate of only 13.5 mills).
 - Our current valuation is \$5.2 billion
 - The forecast reflects an 88.2% current collection rate, which is down .1% from prior year. This rate is assumed through 2024.
 - The collection rate for most recent year is not yet available.
 - The forecast reflects the 10-year, 15-mill renewal and 5-mill additional levies passed by voters on November 3, 2020.



Revenue Inputs & Assumptions (cont.)

- 59.8% of General Fund Revenue comes from State Foundation Formula
 - The forecast reflects the State-mandated \$5.6M reduction due to COVID-19 through SY24-25.
 - The forecast utilizes the current foundation formula in all years, which guarantees school districts funding based on their SY18-19 level.
 - The Student Wellness and Success dollars (\$12.5 million in SY20-21) are not reflected in the forecast after SY20-21.



Expenditure Inputs and Assumptions

- The forecast assumes no wage increases in any years.
- The forecast assumes a 6.5% annual increase in healthcare costs.
- The forecast assumes Student Wellness expenditures return to the general fund thereby increasing expenditures by \$12.5M beginning in FY22
- The forecast does not assume additional investments associated with levy commitments.



Five-Year Forecast: Post Levy

Thank You CMSD Voters!

	SY18-19	SY19-20	SY20-21	SY21-22	SY22-23	SY23-24	SY24-25
Total Revenue	\$749.7	\$750.7	\$753.7	\$769.6	\$778.2	\$785.2	\$787.2
Total Expenditures	\$797.5	\$750.9	\$746.1	\$764.9	\$770.7	\$776.9	\$783.6
Net Revenue	(\$47.8)	(\$0.2)	\$7.6	\$4.7	\$7.5	\$8.3	\$3.6

Ending Cash Balance	\$38.0	\$37.8	\$45.4	\$50.1	\$57.6	\$65.9	\$69.6
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Encumbrances	\$17.6	\$15.6	\$16.0	\$16.0	\$16.0	\$16.0	\$16.0
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Unencumbered Balance	\$20.4	\$22.3	\$29.4	\$34.1	\$41.6	\$49.9	\$53.6
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We are here



Issue 68 Commitments

- Add and Maintain 1:1 Technology
- Preserve and Update Quality Programs
- Keep good Teachers and Reasonable Class Sizes
- Prepare all Students for College and Career
- Continuous Improvement of Test Scores and Graduation Rates
- Student Supports Through Say Yes to Education

... and continue to seek and implement operational efficiencies and eliminate non-strategic spending.



Next Steps

- Submit the Forecast to ODE between 11/18 and 11/30
- Continue working with ODE to exit Fiscal Caution
- Plan Investments to Support Levy Commitments
- Monitor the State Budget & Federal Stimulus
 - House Bill 305



Additional Five-Year Forecast Information

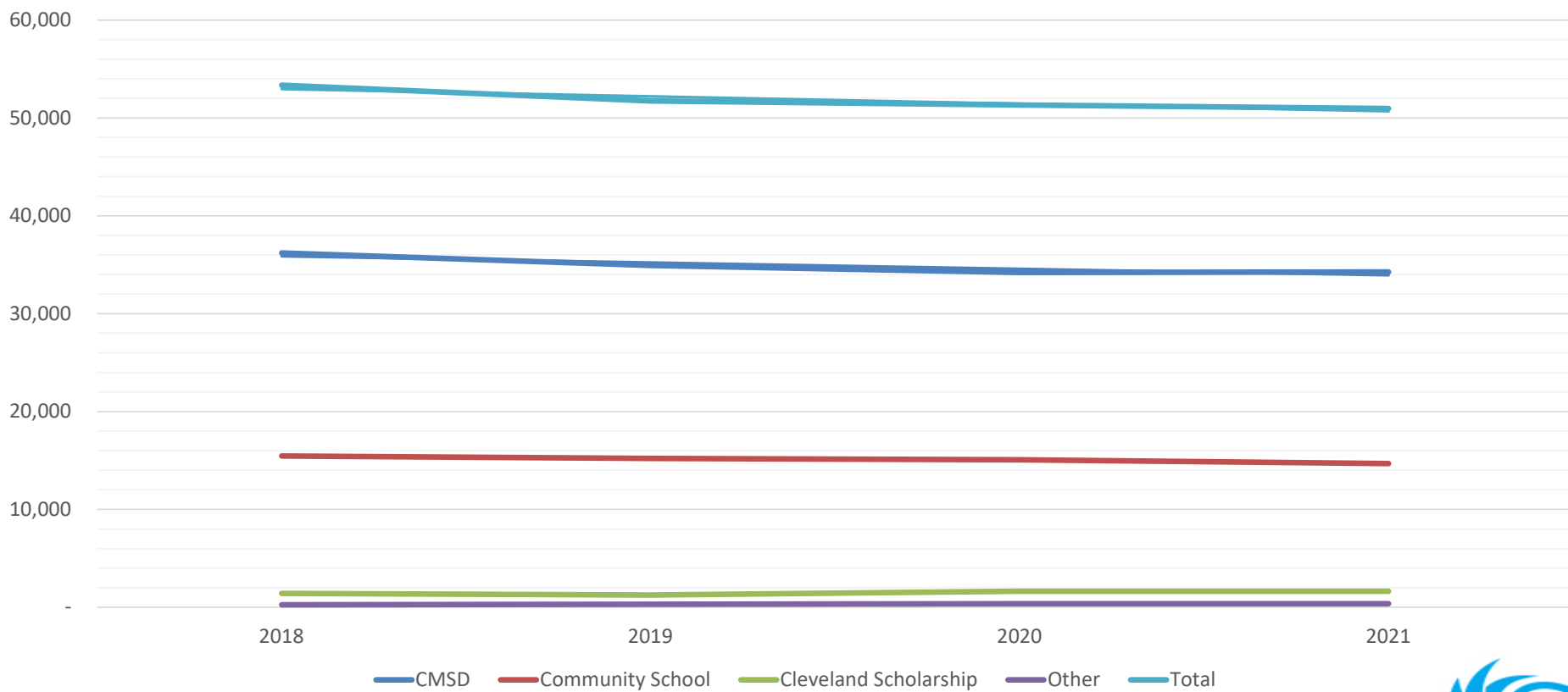
APPENDIX



REVENUE INFORMATION



Enrollment Trend



Revenue Inputs & Assumptions

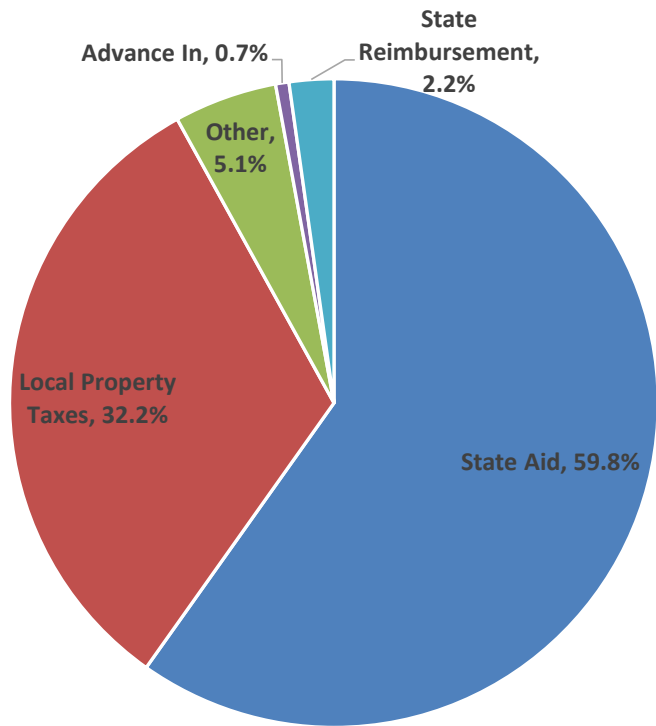
- Enrollment is forecasted at 50,920 student full-time equivalents (FTE), which reflects the current funded level.

	June 2020	Current Forecast	Difference
CMSD	34,224	34,224	0
Community School	15,067	14,681	(386)
Cleveland Scholarship	1,639	1,639	0
Other	376	376	0

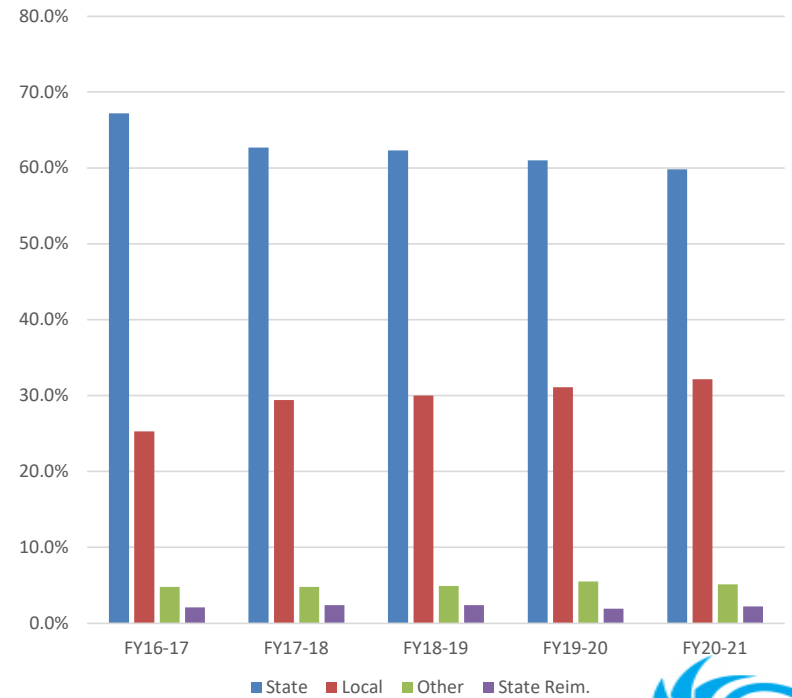


Revenue Sources

SY20-21 Projected General Fund Revenue



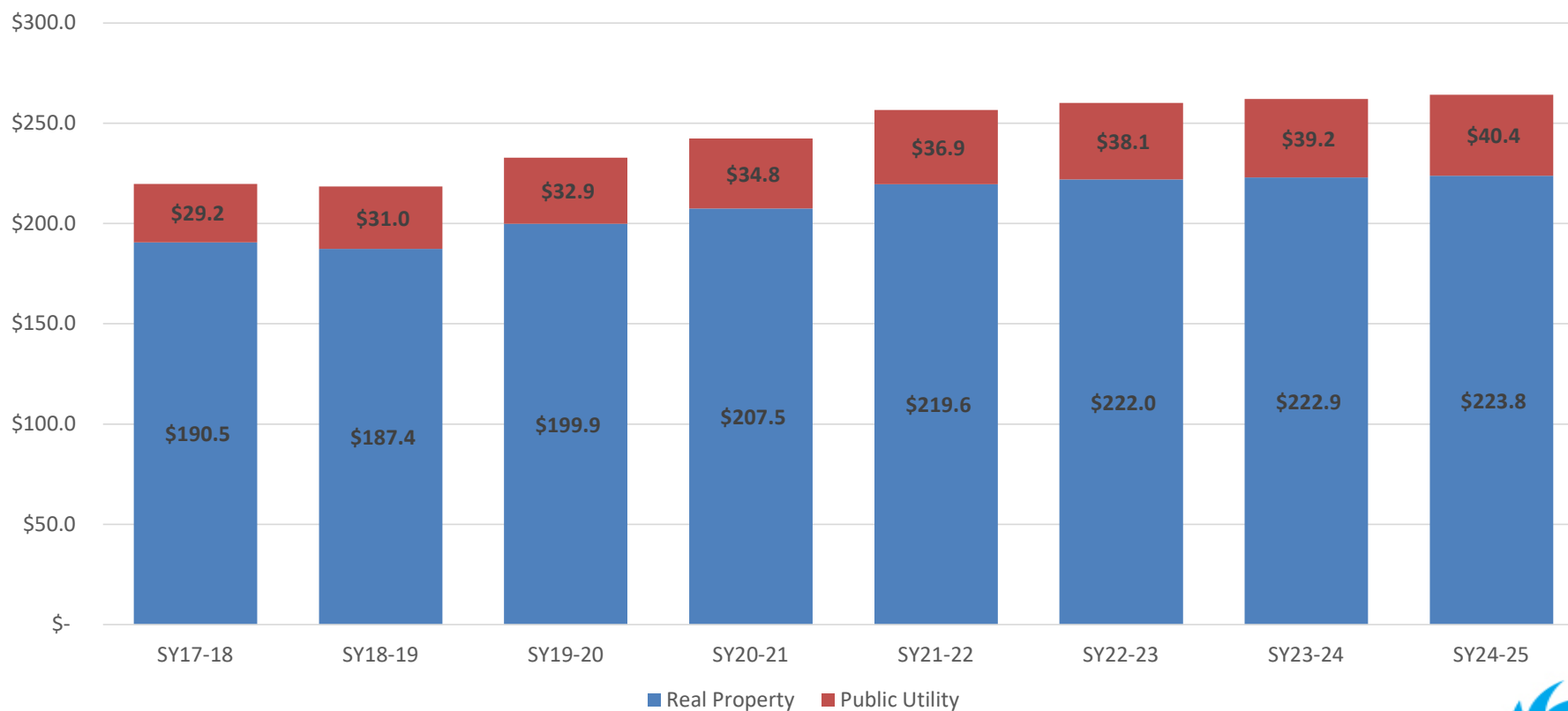
5-Year Trend



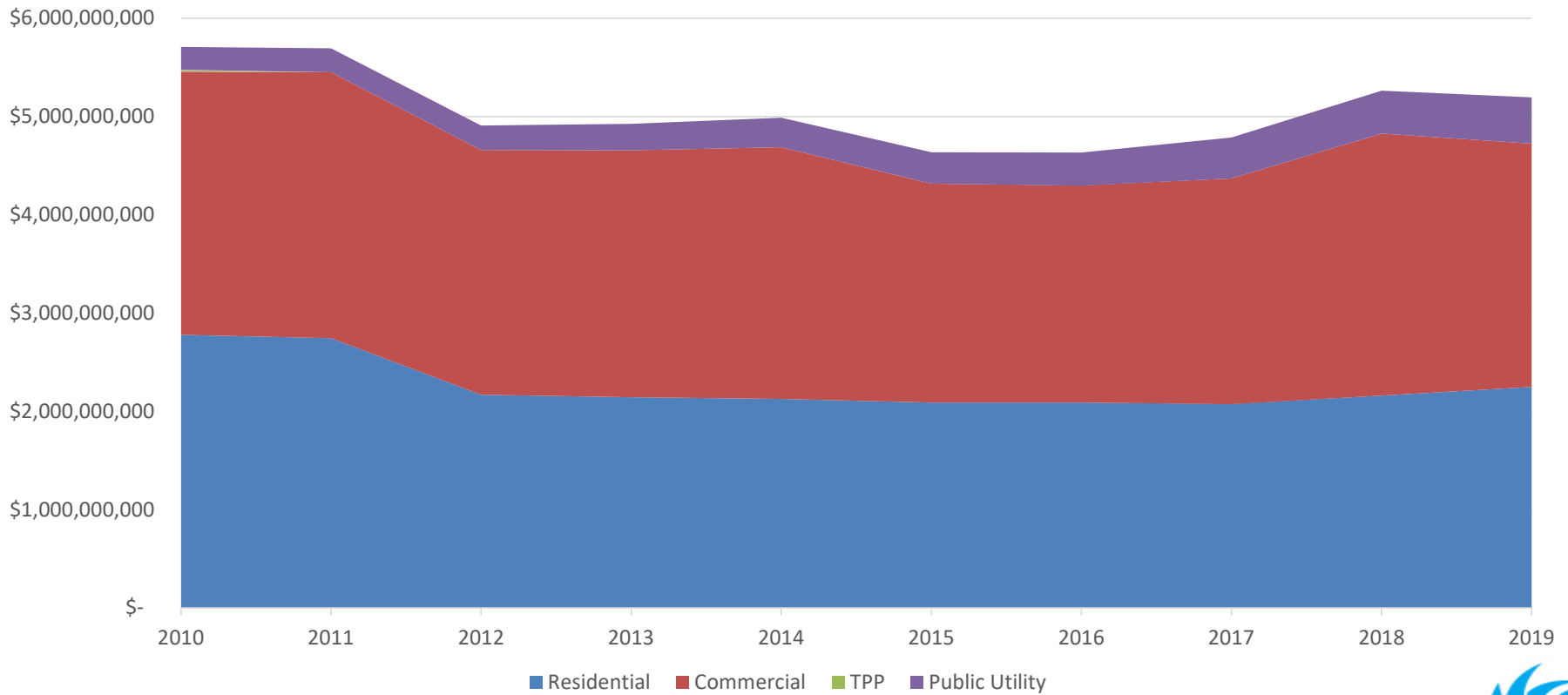
State Aid



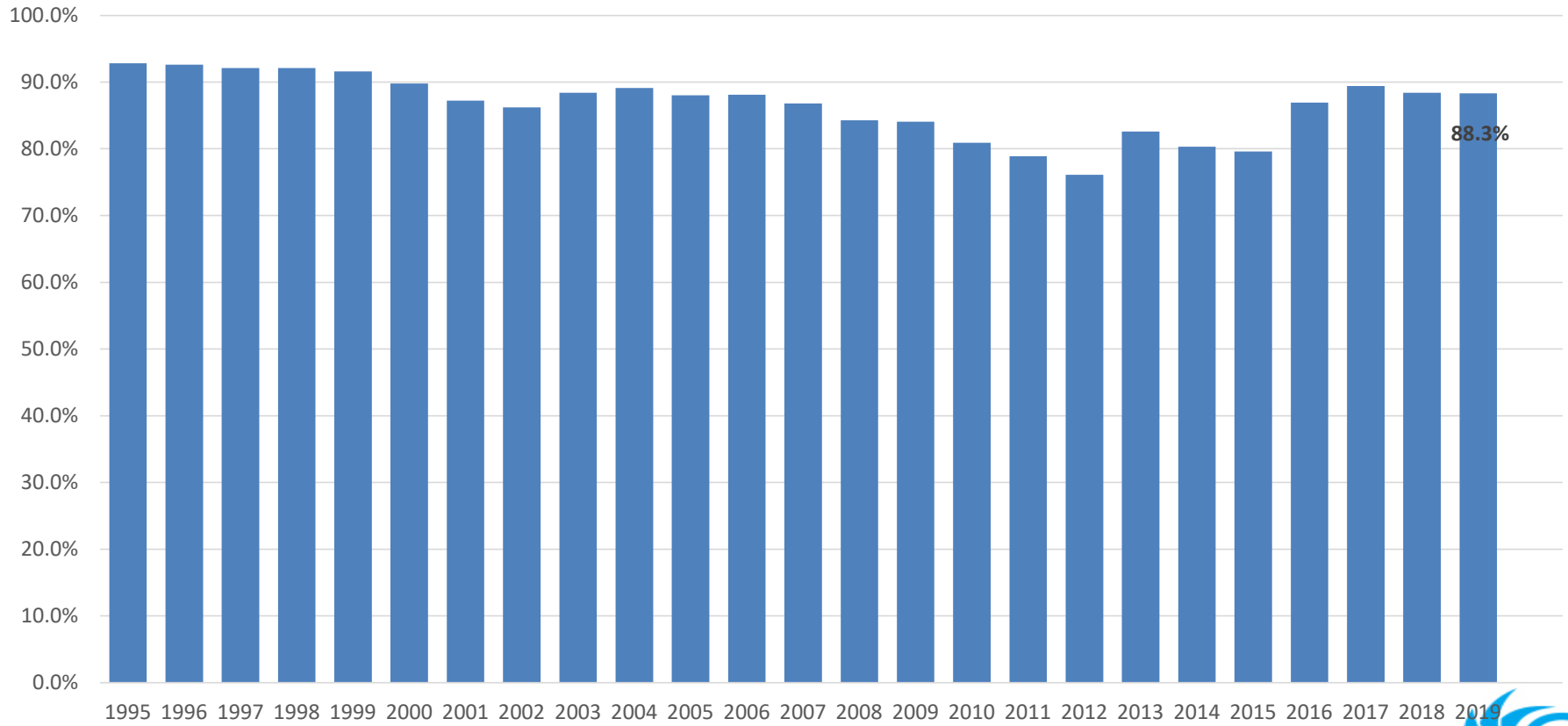
Local Property Tax Revenue



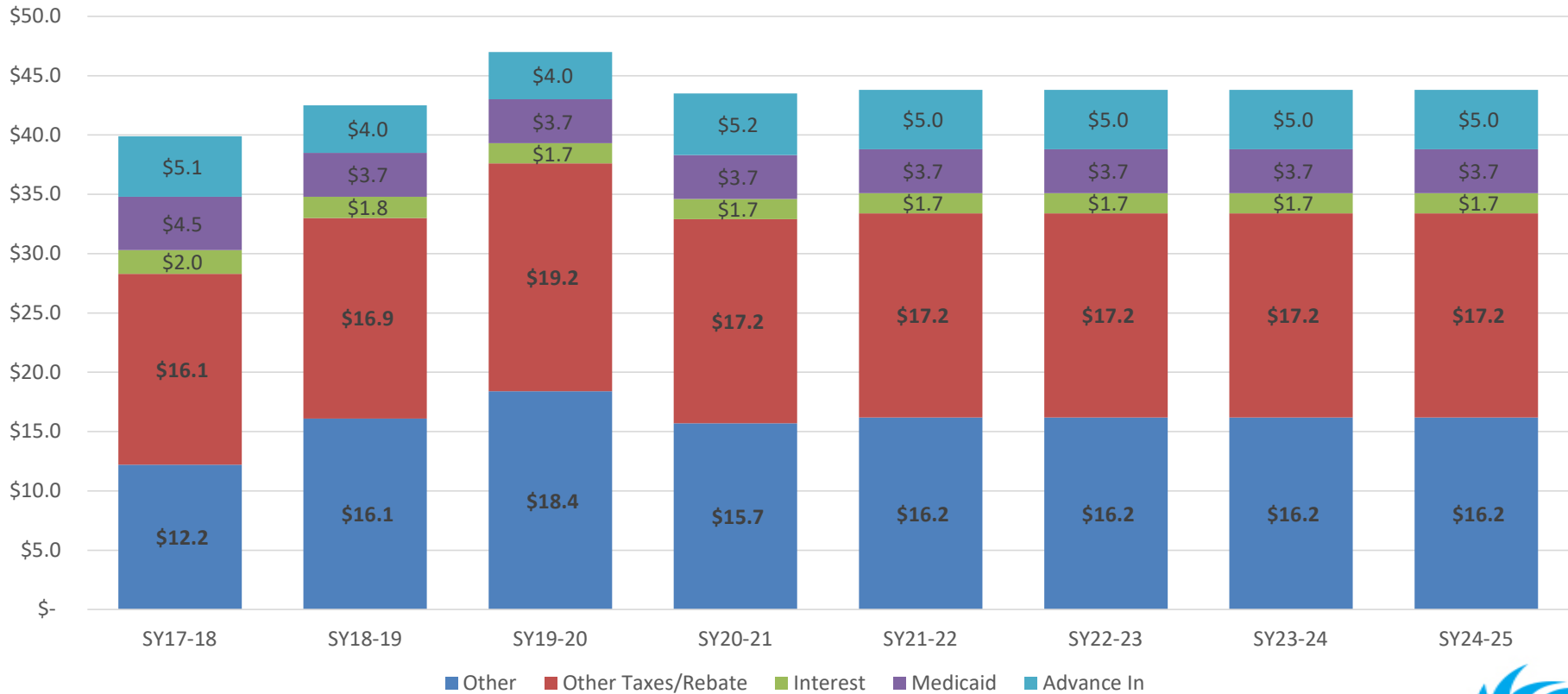
Historic Assessed Valuations



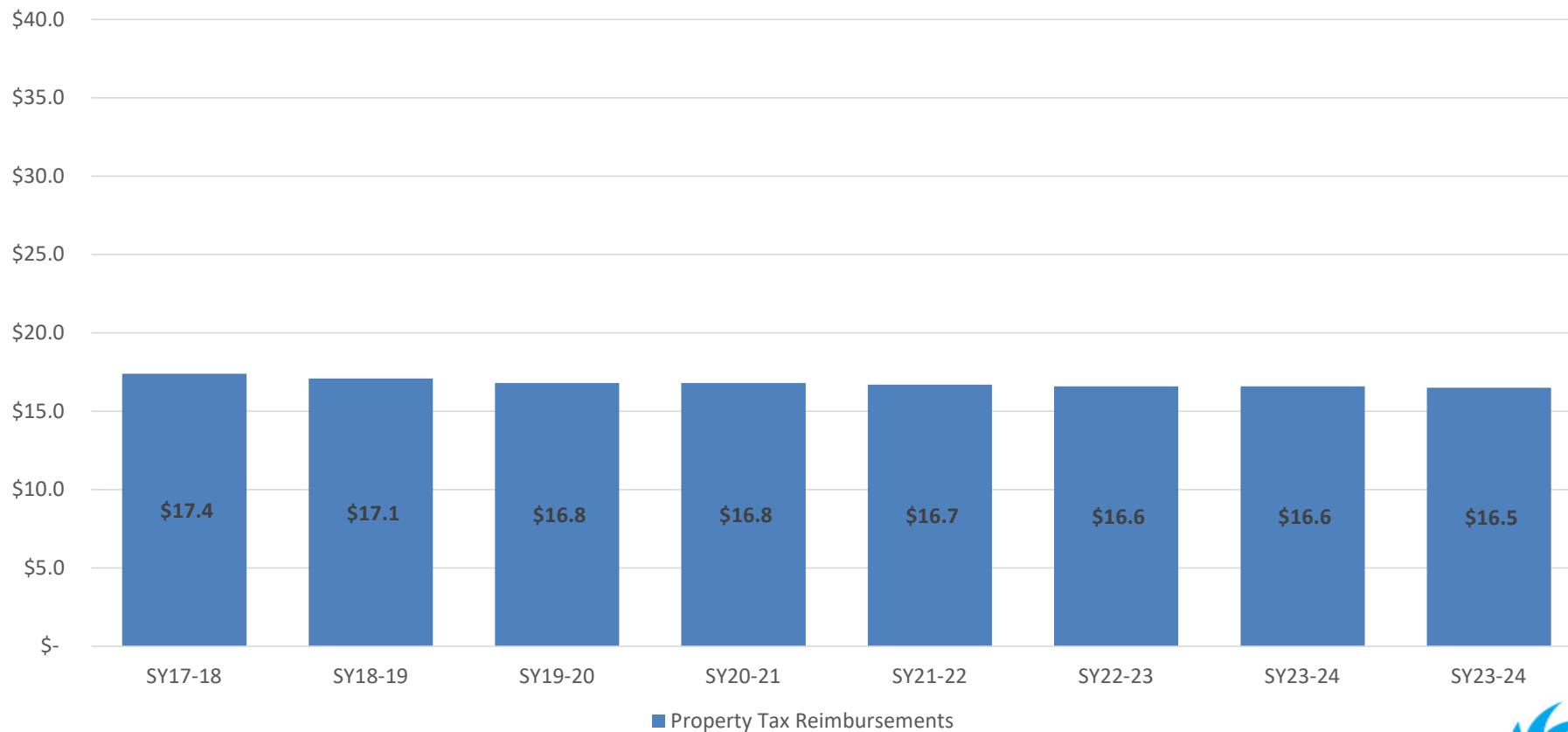
Property Tax Collection Rates



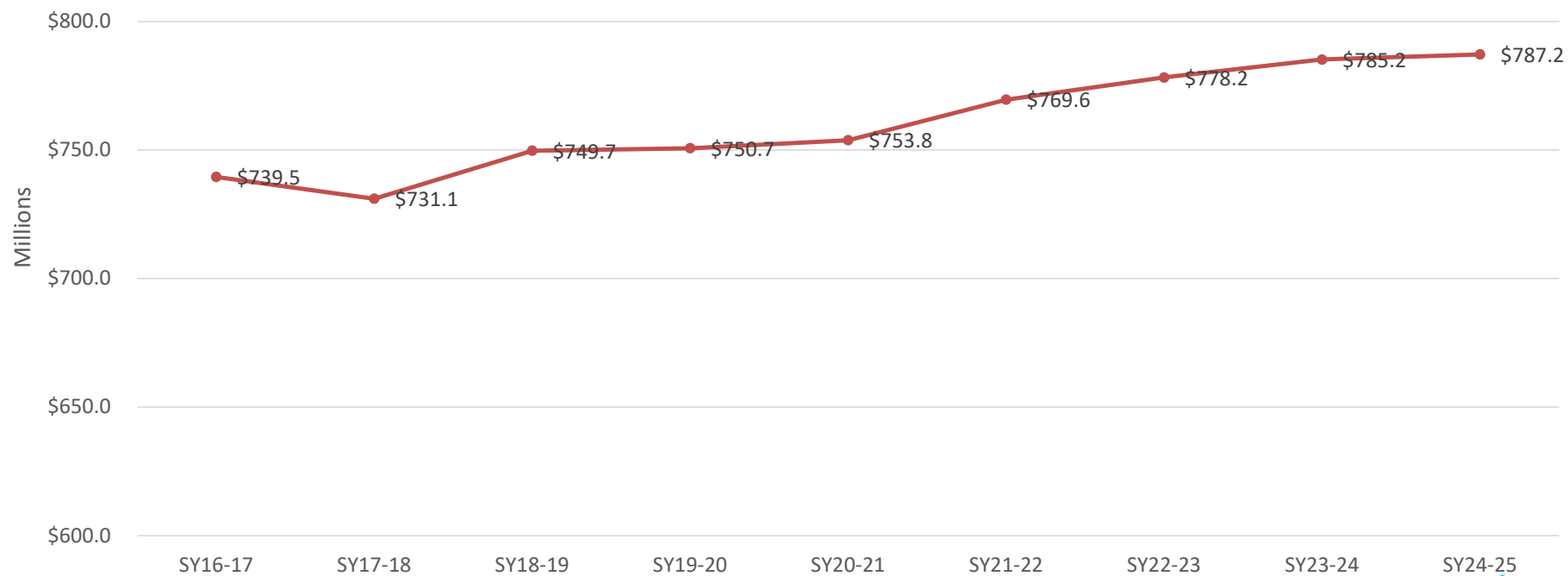
Other Sources & Advances



State Reimbursements



Revenue Forecast – General Fund



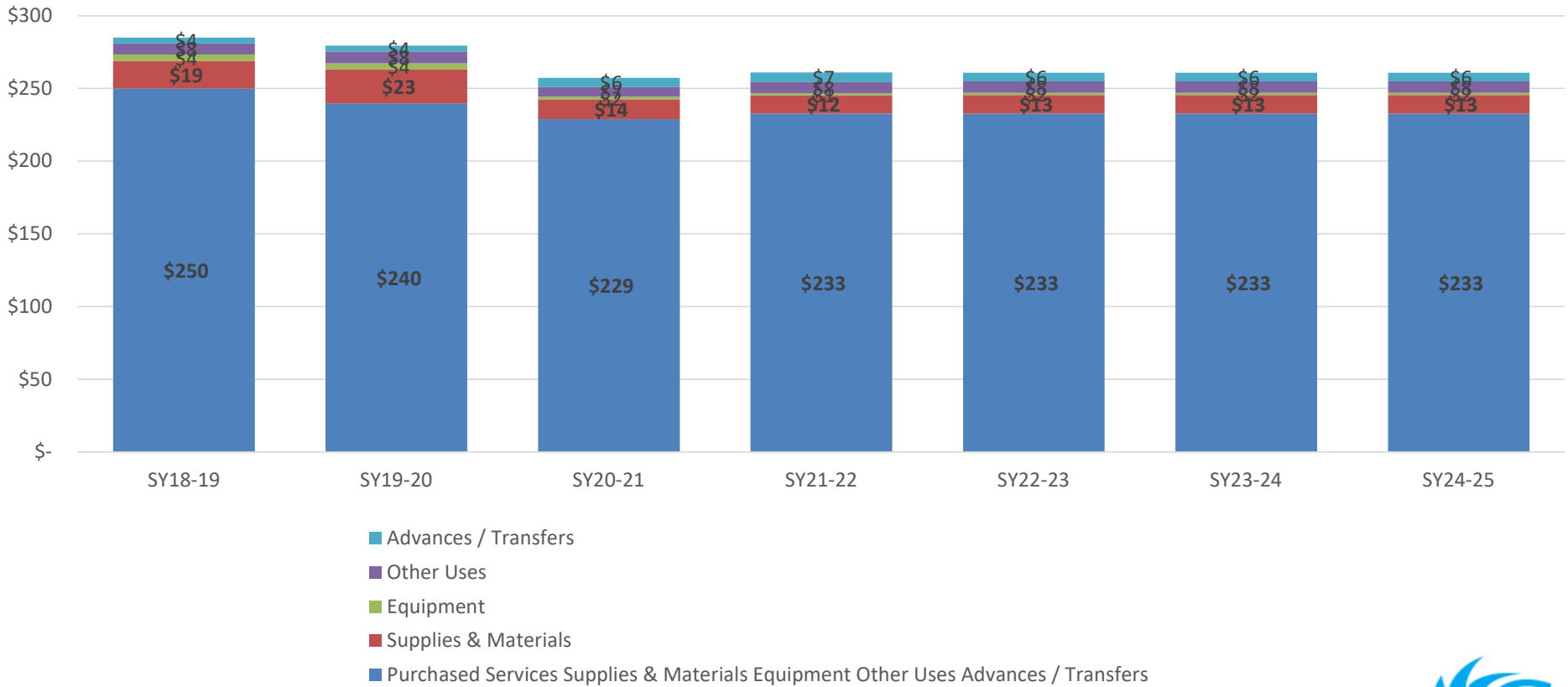
EXPENDITURE INFORMATION



Personnel Expenditures



Non-Personnel Expenditures



Expenditure Forecast – General Fund

