



Financial Report

Board of Education Meeting

March 16, 2023



Monthly Analysis

- 66% through the FY (8 months)

Expenditures:

- Salaries and benefits are trending where we would expect
- Purchased Services are trending higher than expected due to the following factors:
 - Duke Energy Billing Change
 - Diesel Fuel Prices
 - Impact from sinkhole (FY23 March until repair/work has been completed)

Revenues:

- Property Tax timing - February vs. March
- Public Utility Personal Property - Analytics
- Fair School Funding implementation in FY22 skewing results of analytics
- Interest Revenue:
 - Operating Fund: February MTD - \$48,304.63; FYTD - \$317,377.28
 - Bond Fund: February MTD - \$203,445.84; FYTD - \$804,613.87



Certificate of Participation (COPs)

Board of Education Meeting

March 16, 2023

How we got here...



August
2022

October
2022

Nov
2022

January
2023

February
2023

February
2023

March
2023

BOE
Approves
Auditorium
Renovation

BOE
Approves
Athletic
Facility

BOE
Approves
November
2022
Forecast

BOE
Presented
with
Amended
Forecast
(Work Session)

BOE
Approves
Amended
5-Year
Forecast

BOE
Approves
Financing
for Athletic
Facility

Discussion on
Millage
Amount /
Consideration
of an
amended
Forecast



Board Approved Capital Expenditures Prior to March

- **Auditorium** - \$2.6M (Renovation, not new building)
 - Based off of auditorium audit in 2022 related to safety
- **Athletic Facility** - \$12.5M
- **MS Overage** - Inflation related; Currently \$7.5M, projected to be \$9.5M
 - This is a reduction from initial estimate of \$20M through value engineering
 - Bound by OFCC guidelines
- **Bleachers** - \$1.8M
 - Over 30 years old - issues related to 2022 bleacher inspection



Millage Discussed in January & February 2023

Calendar Year	2023	2024	2025
3 years	8.51	10.58	10.9

Focusing on March 2023



August
2022

October
2022

Nov
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January
2023

February
2023

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A path forward...

- **March 2023 BOE Meeting**
 - Financing Plan
 - COPs Issue vs. Direct Loan
 - COPS = MS Overage, Athletic Facility, Auditorium, Bleachers
 - DL = Partial Nest
 - **Recommendation: COPs financing - would flatten expenditures in FYF and lower levy millage request.**
 - Amended Five Year Forecast - due to COPs financing option - debt rating necessary
 - Includes \$600,000 - contingency for all projects
 - Can be utilized for other Permanent Improvement needs should any projects come in under budget
- **Prior to April BOE Regular Meeting**
 - Board Work Session to discuss priorities and how this impacts millage
 - Including additional efficiencies being discussed with Admin Team
- **April 2023 BOE Regular Meeting**
 - Resolution of Necessity to initiate levy process for November 2023 ballot



Permanent Improvement Comparison

District	PI Millage
Mariemont City	5.75
Loveland City	5
Goshen Local	4.6
Oak Hills Local	4.56
West Clermont Local	4.2
North College Hill City	3.9
Deer Park Community City	3.3
Wyoming City	3.25
Clermont Northeastern Local	3
Norwood City	2.55
Northwest Local (Hamilton)	2
Winton Woods City	2
Finneytown Local	1.5
Princeton City	1.49
Batavia Local	1
Lockland Local	1
Forest Hills Local	0.5
Milford Exempted Village	0.5
Southwest Local	0.5
St Bernard-Elmwood Place City	0.5

Milford EVSD is among the lowest permanent improvement millage rates in Clermont and Hamilton Counties.

The 0.5 mills that MEVSD receives is set aside for OFCC projects. This 0.5 mills generates \$658,500 that must be used on the following OFCC projects:

- All 6 elementary schools
- Portions of the MHS
- New MMS once constructed

The lack of more robust PI funds has led the district to rely on the general fund for capital improvements and maintenance.

Additional Items Under Discussion

- Value Engineering efforts are still ongoing with all projects in the district
- We are actively seeking naming rights for the Athletic facility. These proceeds would go towards loan payments
- We continue to identify cost saving measures, that we will bring to the BOE at our upcoming work session for consideration.



Five Year Forecast

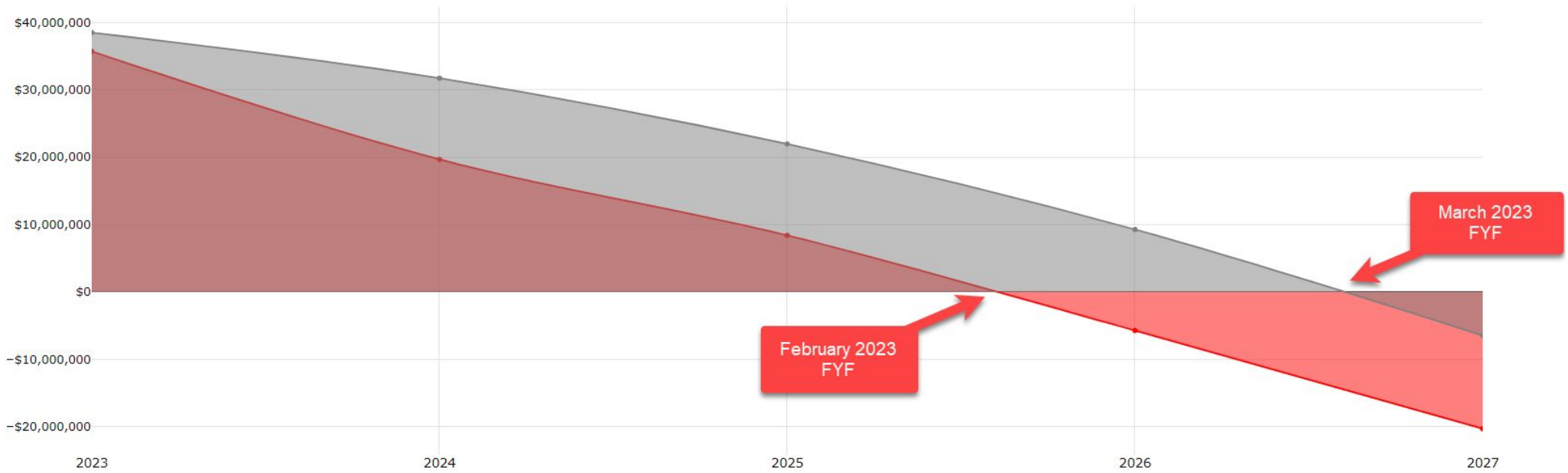
March 16, 2023



March Forecast vs. Last Filed Forecast

State Line Item No and Description	Amount				
	2023	2024	2025	2026	2027
Total	\$-2,792,914	\$-9,258,043	\$-1,505,625	\$-1,430,625	\$1,144,375
3.010 Personal Services	\$0	\$0	\$0	\$0	\$0
3.020 Employees' Retirement/Insurance Benefits	\$0	\$0	\$0	\$0	\$0
3.030 Purchased Services	\$0	\$0	\$0	\$0	\$0
3.040 Supplies and Materials	\$0	\$0	\$0	\$0	\$0
3.050 Capital Outlay	\$0	\$0	\$0	\$0	\$0
4.020 Principal-Notes	\$0	\$0	\$0	\$0	\$0
4.060 Interest and Fiscal Charges	\$0	\$0	\$0	\$0	\$0
4.300 Other Objects	\$0	\$0	\$0	\$0	\$0
5.010 Operating Transfers-Out	\$-2,792,914	\$-9,258,043	\$-1,505,625	\$-1,430,625	\$1,144,375
5.020 Advances-Out	\$0	\$0	\$0	\$0	\$0
5.030 All Other Financing Uses	\$0	\$0	\$0	\$0	\$0

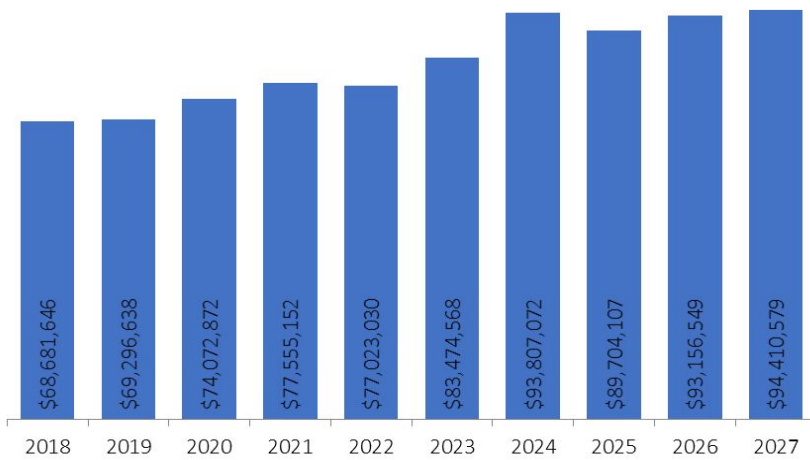
March Forecast vs. Last Filed Forecast



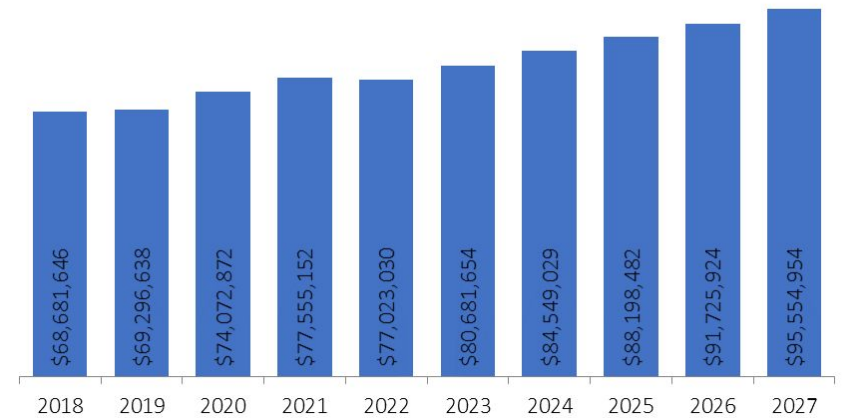


Expenditure Comparisons

February Forecast

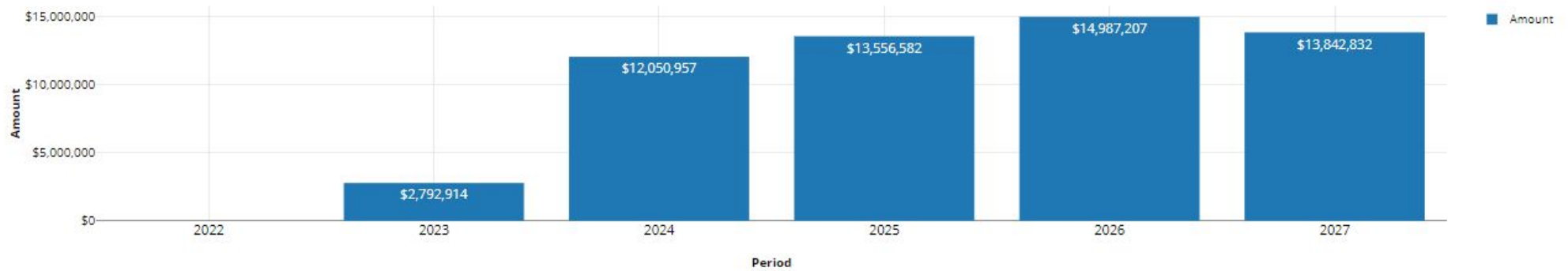


March Forecast





March Forecast Effect on Cash Balance



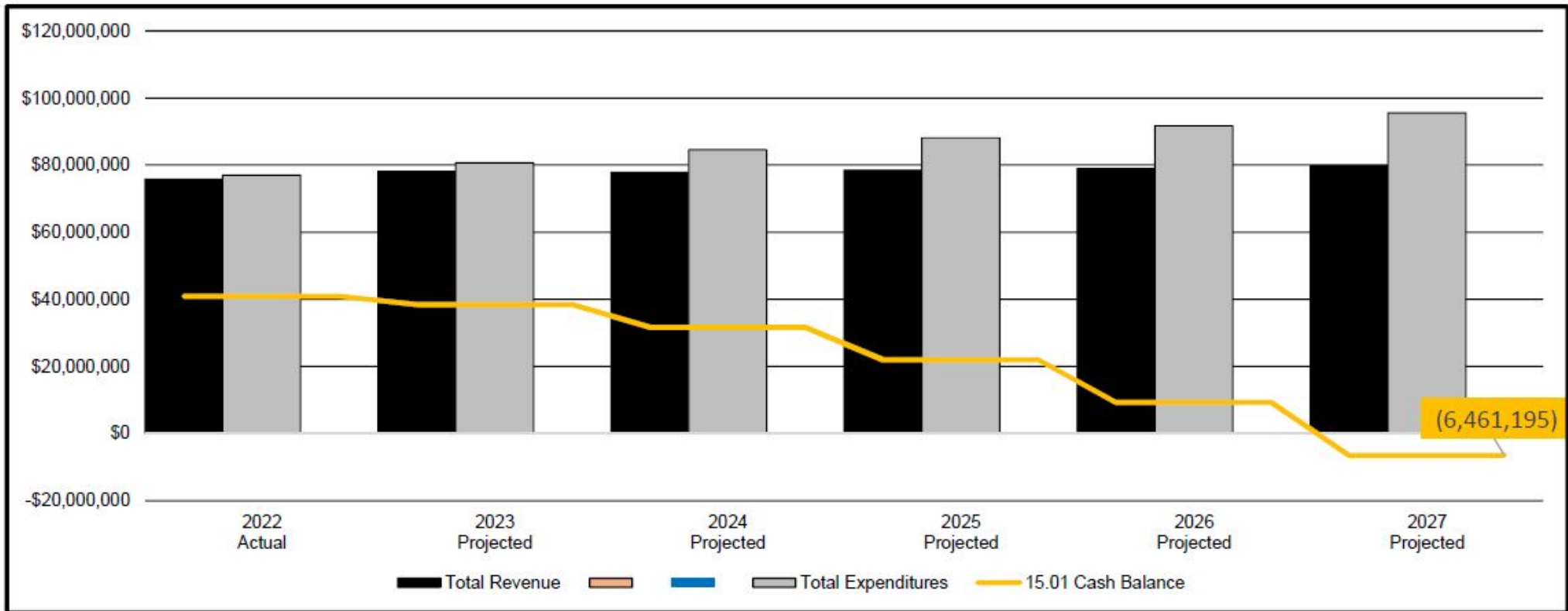
Net Cumulative 5 Year Change

\$13,842,832

FAVORABLE IMPACT ON BASE CASH BALANCE



March Forecast - Expenditures, Revenues, & Cash Balance





Forecast Trends

Milford Exempted Village School District
 Clermont
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Years Ended June 30, 2020, 2021 and 2022 Actual;
 Forecasted Fiscal Years Ending June 30, 2023 Through 2027

	Actual				Average Change	Forecasted				
	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022			Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
Revenues										
1.010 General Property Tax (Real Estate)	38,116,848	38,095,575	38,261,789	-2.4%	\$36,646,285	\$37,148,829	\$37,563,816	\$37,808,114	\$38,157,036	
1.020 Tangible Personal Property Tax			3,358,604		3,361,048	\$3,519,956	\$3,666,656	\$3,813,356	\$3,960,057	
1.030 Income Tax										
1.035 Unrestricted State Grants-in-Aid	23,353,244	24,009,366	23,136,126	-0.4%	22,959,015	\$22,965,269	\$23,080,663	\$23,095,611	\$23,306,982	
1.040 Restricted State Grants-in-Aid	540,092	647,889	2,593,665	160.1%	2,528,278	\$2,602,928	\$2,558,650	\$2,613,490	\$2,528,132	
1.045 Restricted Federal Grants-in-Aid - SFSF										
1.050 Property Tax Allocation	4,497,378	4,500,711	4,514,241	0.2%	4,536,276	\$4,587,933	\$4,632,644	\$4,648,625	\$4,679,749	
1.060 All Other Revenues	7,516,005	7,752,888	5,779,806	-11.1%	8,184,808	\$6,935,069	\$6,912,187	\$7,045,274	\$7,181,024	
1.070 Total Revenues	74,022,567	75,906,409	75,634,230	1.1%	78,215,706	77,759,984	78,414,516	79,024,470	79,812,980	
Other Financing Sources										
2.010 Proceeds from Sale of Notes										
2.020 State Emergency Loans and Advancements (Approved)										
2.040 Operating Transfers-In	27,458	777		-98.6%						
2.050 Advances-In			150,000							
2.060 All Other Financing Sources	25,621	604,463	20,202	999.0%	20,202	20,202	20,202	20,202	20,202	
2.070 Total Other Financing Sources	53,079	605,240	170,202	484.2%	20,202	20,202	20,202	20,202	20,202	
2.080 Total Revenues and Other Financing Sources	74,075,646	76,511,649	75,804,432	1.2%	78,235,908	77,780,186	78,434,718	79,044,672	79,833,182	
Expenditures										
3.010 Personal Services	\$39,071,462	\$39,826,738	\$41,078,250	2.5%	\$42,507,139	\$44,016,972	\$45,522,009	\$47,013,419	\$48,544,524	
3.020 Employees' Retirement/Insurance Benefits	\$14,961,068	\$15,561,739	\$16,231,599	4.2%	\$16,963,822	\$18,104,542	\$19,367,942	\$20,761,385	\$22,304,636	
3.030 Purchased Services	\$14,722,621	\$17,898,618	\$15,663,350	4.5%	\$15,600,860	\$16,069,595	\$16,552,752	\$17,050,773	\$17,564,126	
3.040 Supplies and Materials	\$2,656,669	\$2,618,570	\$2,461,801	-3.7%	\$2,766,401	\$2,812,324	\$2,856,509	\$2,907,960	\$2,957,802	
3.050 Capital Outlay	\$338,213	\$713,461	\$491,161	39.9%	\$616,571	\$616,571	\$616,571	\$616,571	\$616,571	
3.060 Intergovernmental										
Debt Service:										
4.010 Principal-All (Historical Only)										
4.020 Principal-Notes										
4.030 Principal-State Loans										
4.040 Principal-State Advancements										
4.050 Principal-HB 264 Loans										
4.055 Principal-Other										
4.060 Interest and Fiscal Charges										
4.300 Other Objects	\$895,381	\$934,949	\$1,009,383	6.2%	\$1,039,383	\$1,059,651	\$1,080,324	\$1,101,411	\$1,122,920	
4.500 Total Expenditures	72,645,414	77,554,375	76,935,544	3.0%	79,494,166	82,679,655	86,029,107	89,481,549	93,110,579	
Other Financing Uses										
5.010 Operating Transfers-Out	\$1,277,458	\$777	\$87,488	999.0%	\$1,187,489	\$1,899,375	\$2,169,375	\$2,244,375	\$2,444,375	
5.020 Advances-Out	\$150,000									
5.030 All Other Financing Uses										
5.040 Total Other Financing Uses	1,427,458	777	87,488	999.0%	1,187,489	1,899,375	2,169,375	2,244,375	2,444,375	
5.050 Total Expenditures and Other Financing Uses	74,072,872	77,555,152	77,023,032	2.0%	80,681,655	84,549,030	88,198,482	91,725,924	95,554,954	
6.010 Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	2,774	1,043,503-	1,218,600-	-999.0%	2,445,747-	6,768,844-	9,763,764-	12,681,252-	15,721,772-	



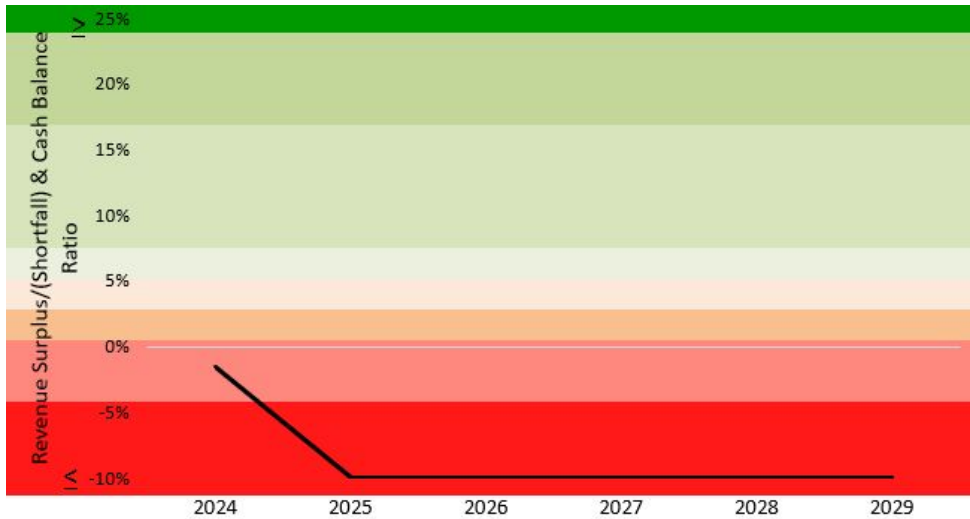
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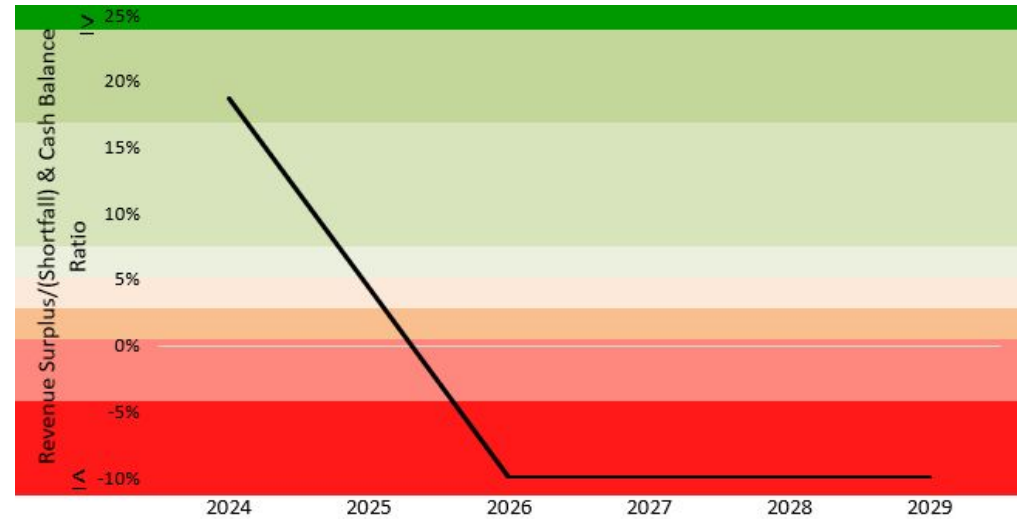
- Deficit Spending Began during the 2020-21 School Year
 - Note that the 2019-20 school year had revenues over expenditures of \$2,774

Fiscal Distress

February Forecast



March Forecast



Note: Though fiscal caution is avoided in FY24, waiting to seek new revenue would cause the millage rate to be higher.

Key Takeaways

- Deficit spending began during the 2020-21 school year
 - Note that the 2019-20 school year had revenues over expenditures of \$2,774
- May 2013 Operating Levy has stretched 10 years, 6 more than the deliverable of 4 years stated in 2013
- District continues to identify further efficiencies and will report back to the BOE at the upcoming work session prior to April's regular BOE meeting
- Based on the report to the BOE, the Treasurer will recommend the required millage to keep the district in financial good standing for a period of 3 years



Milford School District: Years Between Operating Levies

Levy	Years Between Issues	Gross Tax	Effective Tax Rate
1976		29.4	6.001716
1983	7	5.3	2.042678
1985	2	4.6	1.838795
1990	5	5.3	2.247258
1993	3	5.9	2.972827
1997	4	4.8	2.976211
2003	2	5.9	4.385559
2008	5	5.5	4.247562
2013	5	4.5	3.475278
2023	10		

Average Years Between Levies	4.125
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