

GENERAL FUND  
FIVE YEAR FORECAST  
JULY 1, 2019 THROUGH JUNE 30, 2024  
NOVEMBER 18, 2019  
PRESENTED BY JULIO VALLADARES, MBA,  
TREASURER/CFO



**Newark City Schools**

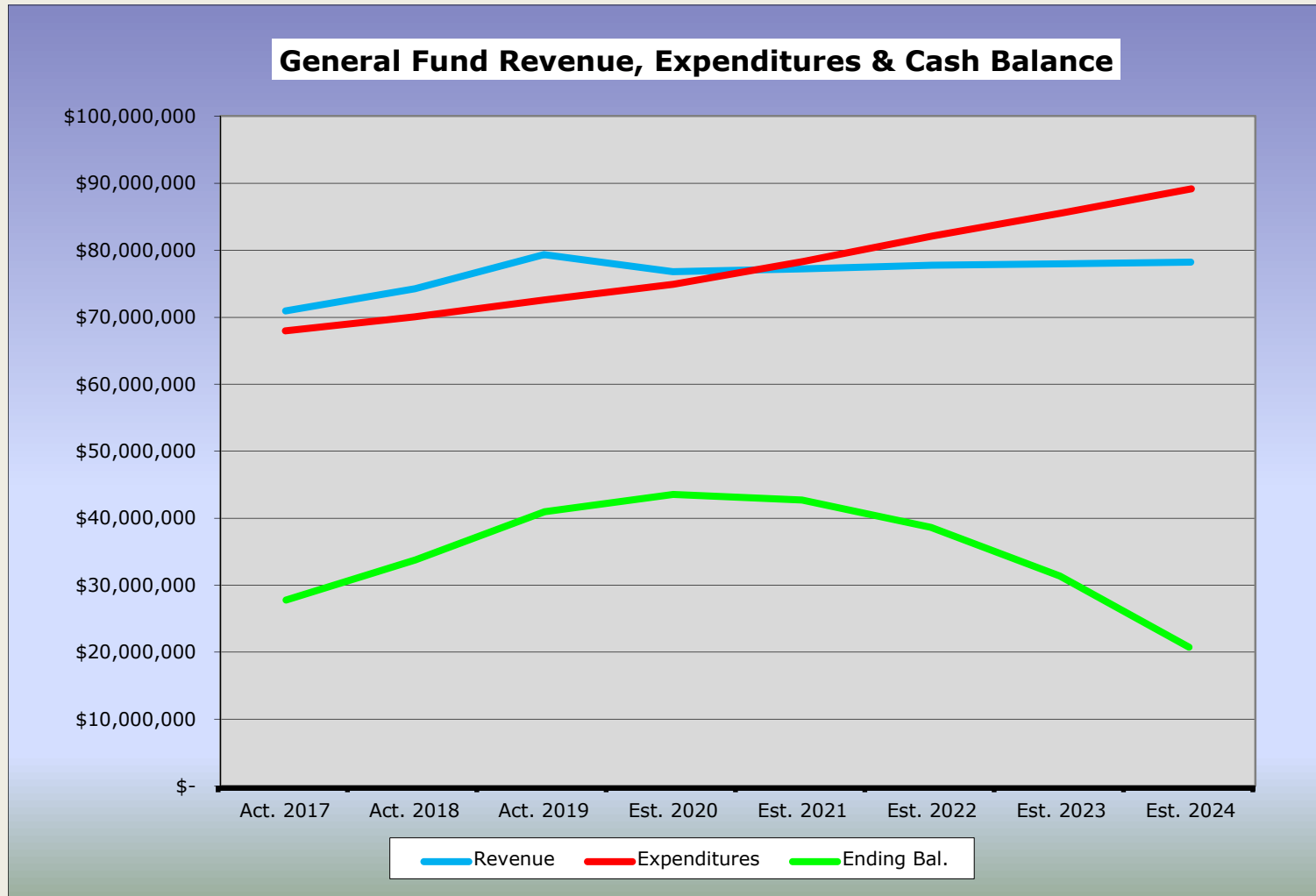
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# Forecast Overview

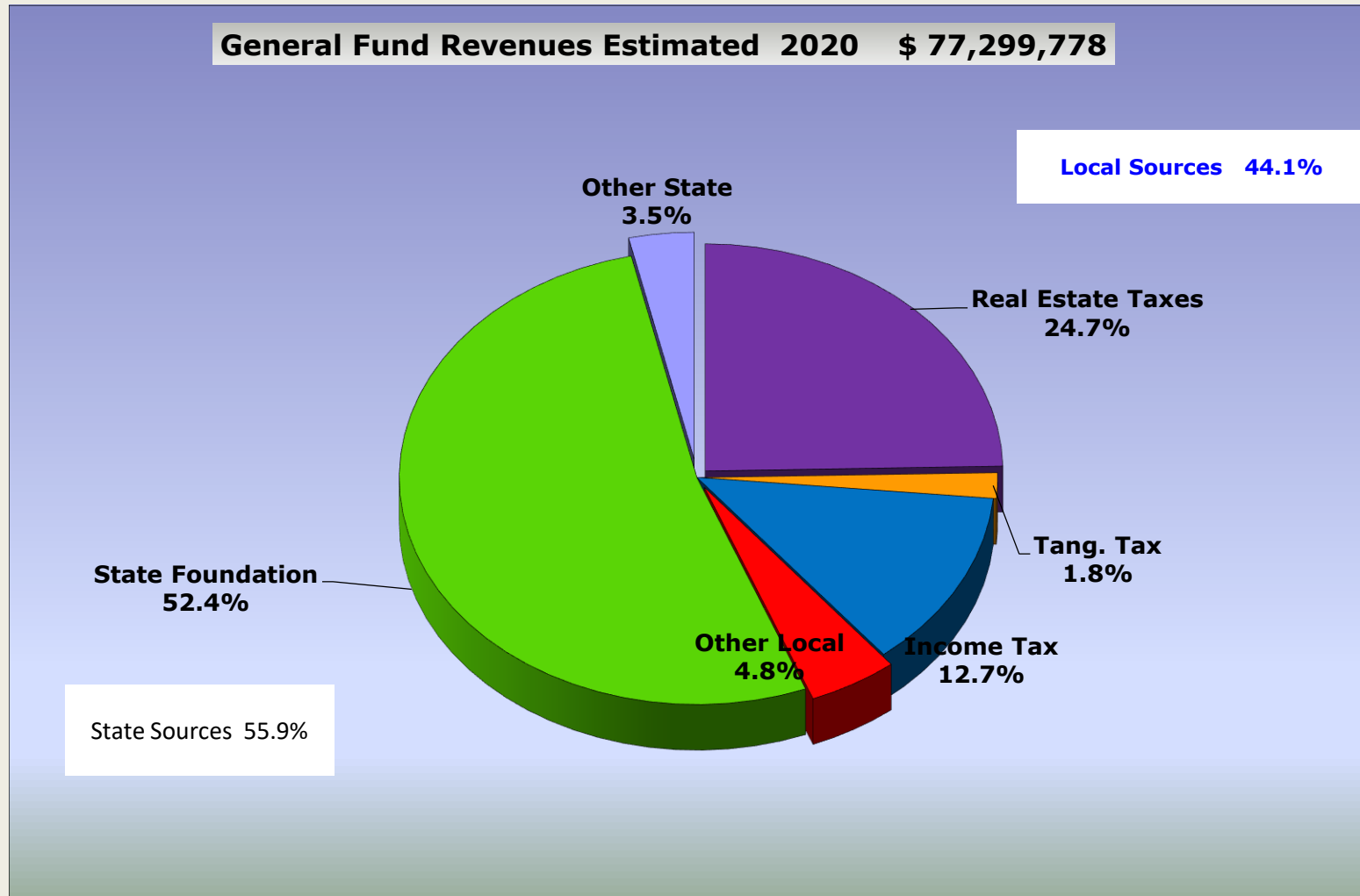
- **Revenues in FY20 are estimated to come in at over \$78 million, and are to be used for the District wide operations excluding sources from grants which are targeted for a specific purpose.**
- **Expenditures in FY20 are estimated to be at over \$75 million or 3.3% over last fiscal year.**
- **Expenditures in FY20 also represents an estimated \$3 million less than revenues for the fiscal year end.**
- **However, expenditures begins to outpace revenues starting in FY21, which represent decreasing cash balances in the years out.**
- **The need for the continuing support of our community to renew the income tax in 2022 will be necessary.**

# Revenue Vs. Expenditure



- **Expenses exceed revenues starting in FY21**

# Est. General Fund Revenue Sources FY20

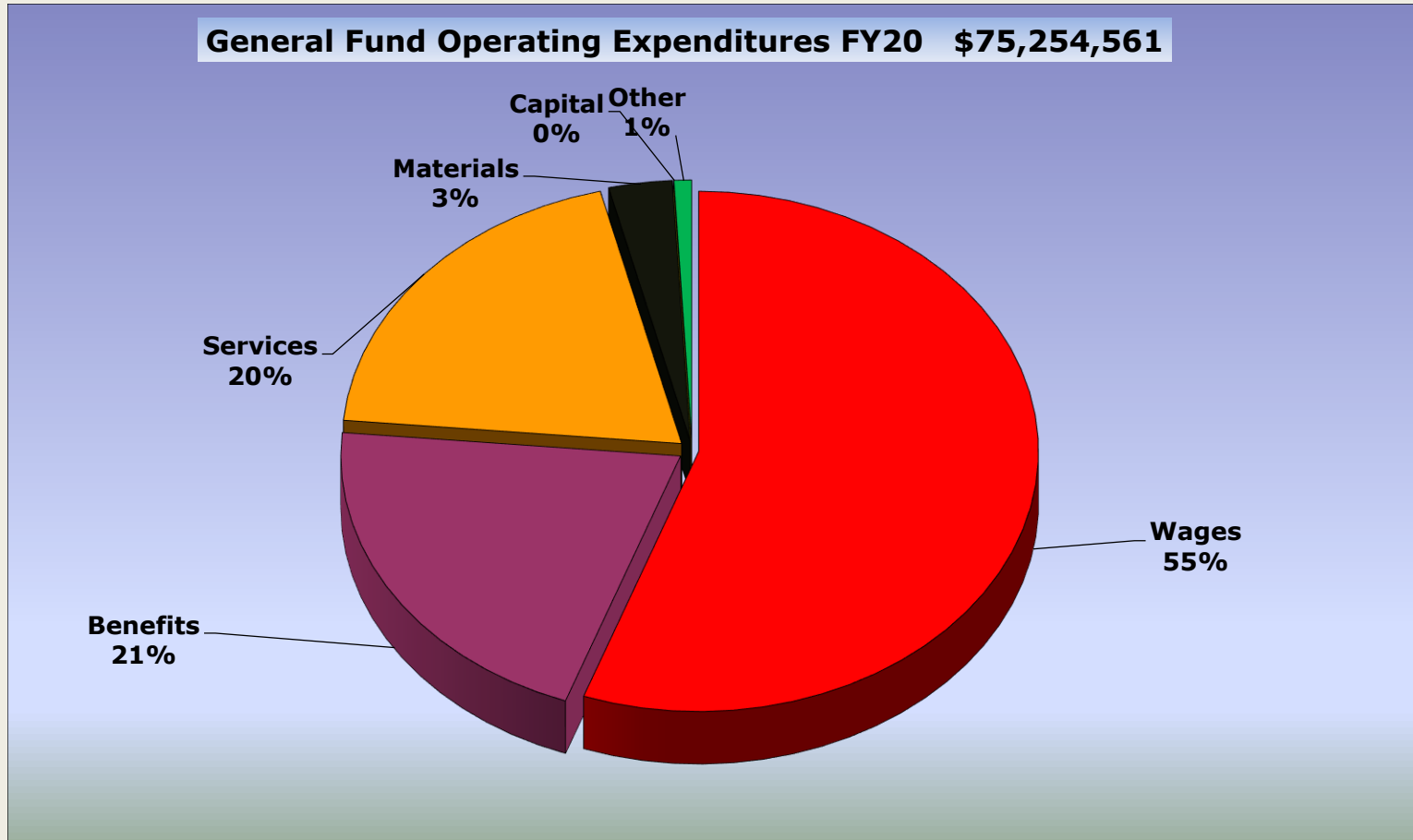


- **District continues to have a high dependency on state revenues.**

# Challenges To Operating Revenue

- Continue to increasing local revenues outside real estate property taxes and income tax revenues.
- Continue support of community to renew existing levy's
- Uncertainty of future state aide due to formula changes
  - *Currently there is not state funding formula.*
- Replenish unfunded mandates either from the federal government or state government.

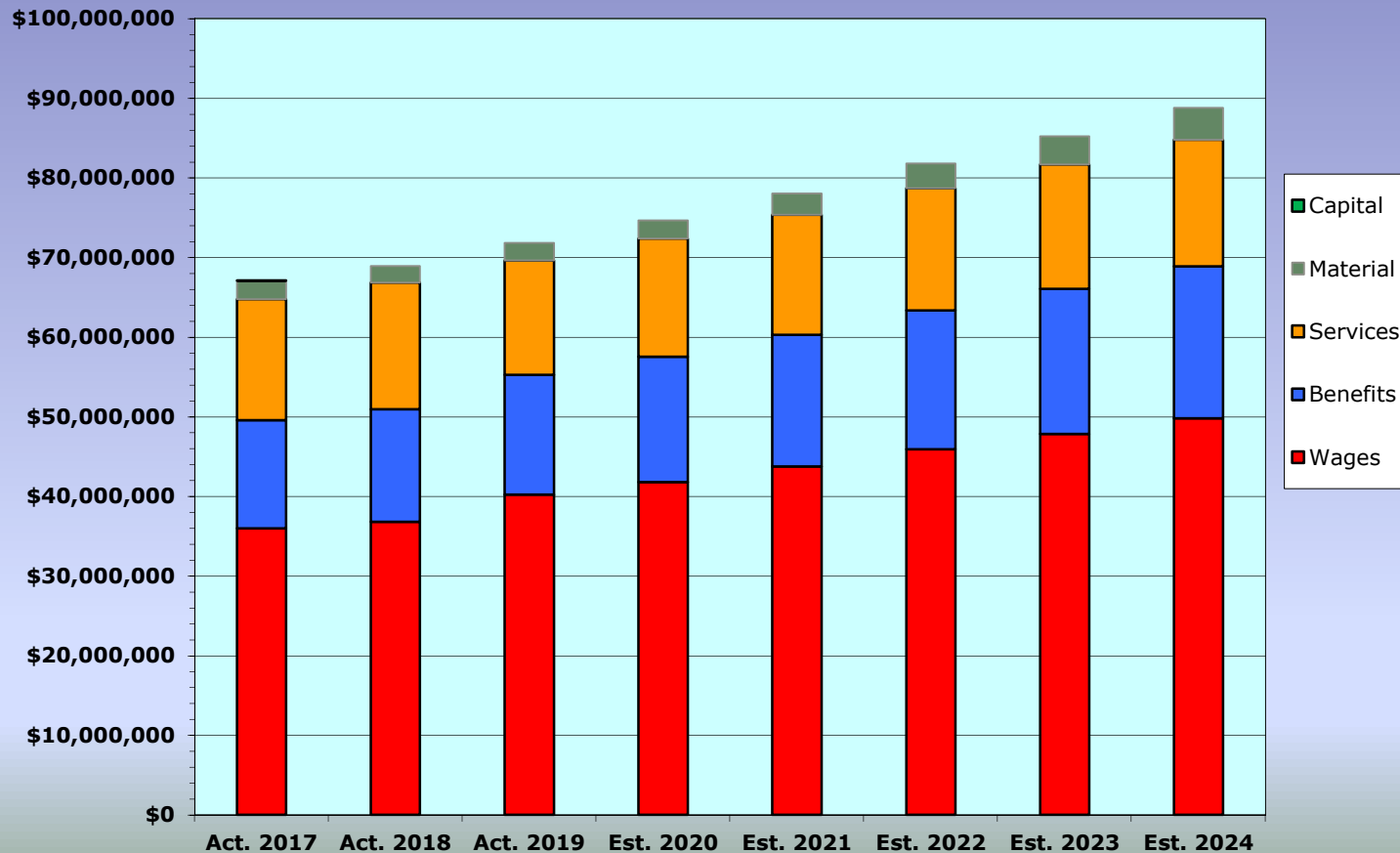
# Est. General Fund Expenditures FY20



- **District wages and benefits estimate is 76%.  
Remainder estimate for discretionary services are 24%**

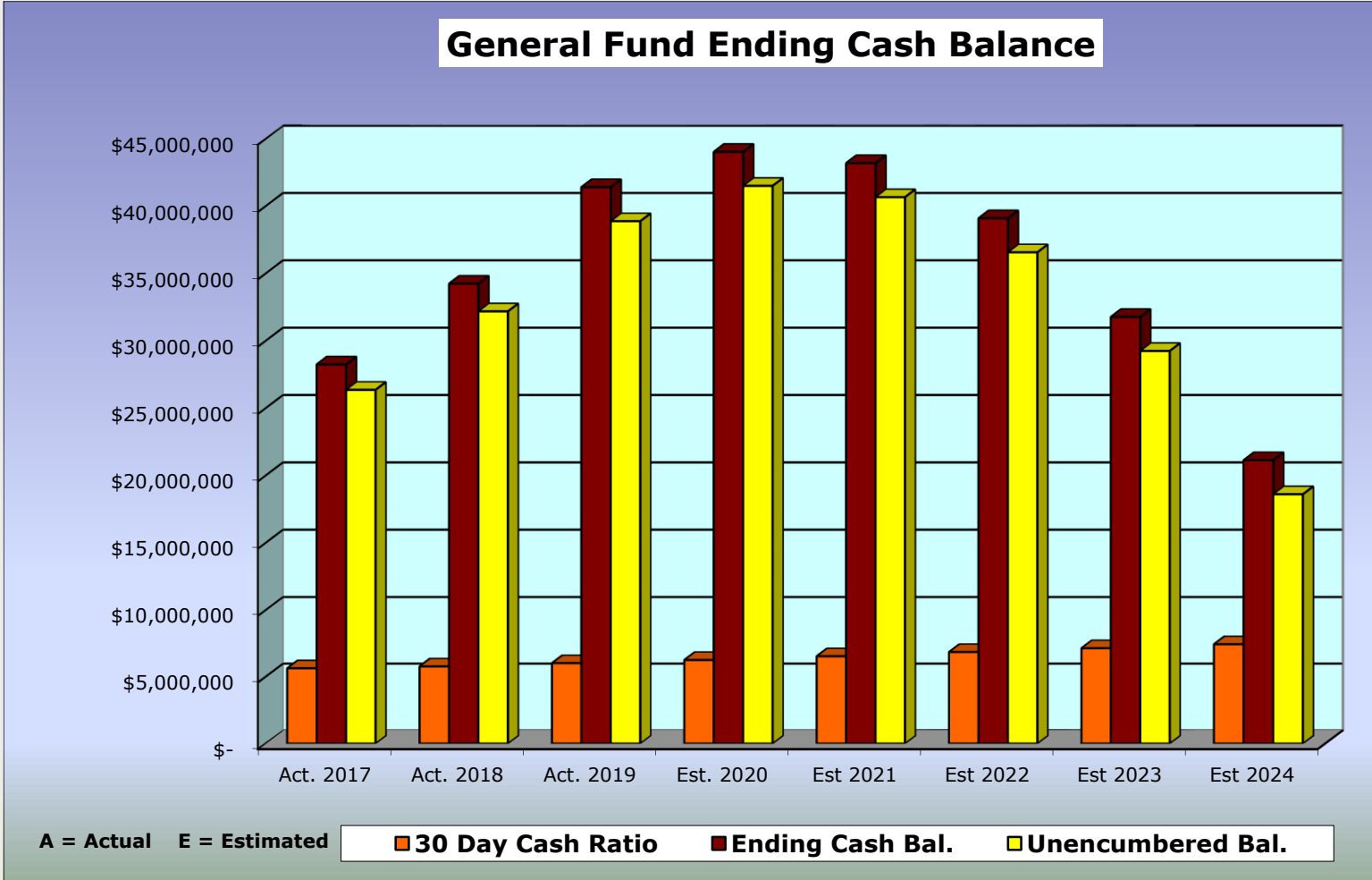
# General Fund Expenditures By Object

General Fund Operating Expenditures Actual FY2017 Through Estimated 2024



**Outside salary and wages, purchased services represents the next major category, which includes community school transfers, tuition to other institutions, ESC services, utilities, etc....**

# Ending Cash Balance



- **30 Day Cash Balance is a responsible target to end year**
- **No less than \$-0- Required By Ohio Law**



# Conclusion

- Revenues are estimated to continue relatively flat over the forecast years to the tune of an average of 1% year over year.
- Expenditures are estimated to increase at a year over year average of 4.4%.
- Continue to look at programs and implement cost measures to achieve sustainability while at the same time implement more social, emotional needs programs.
- Long-term: Need to watch future state budget deliberations and continue to operate conservatively.
- Maintain stability of District's finances with timely renewal of existing levy's.

# Thank You for Listening

- Questions and Answers



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