



Avon Lake City Schools

Superintendent - Joelle Magyar Treasurer - Autumn Reed

5 Year Forecast Update
December 17, 2024

FORECAST METHODOLOGY

WHAT GOES INTO THE FORECAST & WHY?

- 5 Year Forecast is prepared based upon historical trends & current factors
- Variables can change at any time – the Forecast is a snapshot at a specific point in time
- Board of Education approved the District's Forecast at the November board meeting to meet the statutory requirement set forth in Ohio Revised Code
- Discussed the need to update the Forecast once more was known about the reductions



NOVEMBER 2024 SIMPLIFIED FINANCIAL STATEMENT

	2025	2026	2027	2028	2029
Beginning Cash Balance	\$11,191,012	\$7,994,965	\$7,978,660	\$6,451,693	\$3,544,351
+ Revenue	\$50,798,287	\$54,079,428	\$54,700,965	\$56,548,948	\$58,191,384
+ Renewal Levies	\$0	\$0	\$0	\$0	\$0
+ New Levies	\$0	\$0	\$0	\$0	\$0
- Expenditures	\$53,994,334	\$54,095,733	\$56,227,932	\$59,456,290	\$62,271,220
= Revenue Surplus or Deficit	-\$3,196,047	-\$16,305	-\$1,526,967	-\$2,907,342	-\$4,079,836
Ending Cash Balance with Levies	\$7,994,965	\$7,978,660	\$6,451,693	\$3,544,351	-\$535,485
Revenue Surplus or Deficit without Levies	-\$3,196,047	-\$16,305	-\$1,526,967	-\$2,907,342	-\$4,079,836
Ending Cash Balance without Levies	\$7,994,965	\$7,978,660	\$6,451,693	\$3,544,351	-\$535,485

**Balances not reduced for encumbrances or reservations

- Monthly operating expenses in FY25 are approximately \$4.5 million
- A school district should have at least 60 days cash on hand or \$9 million for FY25
- Projected cash balances are not sufficient to continue to operate as we are today



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DECEMBER 2024 SIMPLIFIED FINANCIAL STATEMENT

	2025	2026	2027	2028	2029
Beginning Cash Balance	\$11,191,012	\$8,404,694	\$10,114,862	\$10,763,868	\$9,647,989
+ Revenue	\$51,305,016	\$55,741,879	\$56,354,725	\$58,199,680	\$59,817,702
+ Renewal Levies	\$0	\$0	\$0	\$0	\$0
+ New Levies	\$0	\$0	\$0	\$0	\$0
- Expenditures	\$54,091,334	\$54,031,711	\$55,705,719	\$59,315,559	\$62,256,157
= Revenue Surplus or Deficit	-\$2,786,318	\$1,710,168	\$649,006	-\$1,115,879	-\$2,438,455
Ending Cash Balance with Levies	\$8,404,694	\$10,114,862	\$10,763,868	\$9,647,989	\$7,209,534
Revenue Surplus or Deficit without Levies	-\$2,786,318	\$1,710,168	\$649,006	-\$1,115,879	-\$2,438,455
Ending Cash Balance without Levies	\$8,404,694	\$10,114,862	\$10,763,868	\$9,647,989	\$7,209,534

**Balances not reduced for encumbrances or reservations

- Revenues now reflect actual tax year 2024 values versus projected
- Expenditures has been updated to include the staffing reductions known at this time, the addition of CCP classes, salt truck, regular truck, capping of all day kindergarten & closure of Erievuew



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WHERE DO WE GO FROM HERE?

- District will continue to work through the expense reductions, survey results & revenue possibilities to determine what future levy options may look like
- Any levy passed in calendar year 2025 would not be collected until calendar year 2026



QUESTIONS?



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