

Forecast5 Analytics Ohio FY20 Workshop – Athens #2

Course Description Quick Guide

Course Name	Course Description
Local Revenue Projections Matt Bunting, Consultant, Public Finance Resources, Inc., Stacy Overly, Consultant, Public Finance Resources, Inc.	Local funding, i.e. property and income taxes, is one of the two major sources of revenue that Ohio school districts receive and need to manage their cash flow to –especially given the cyclical nature of this type of revenue source. In this session, Matt Bunting and Stacy Overly, Senior Analytics Advisors at Forecast5 Analytics (Formerly PFR), will provide information on local economic indicators and assist school district treasurers in making reliable property tax estimates for the fiscal year. Items to be covered in this session are: Real estate tax abstract – overview and what story is it telling for your district? Valuations – what’s going on around the state and locally? How will the changes to the CAUV program impact you? What to model going forward. Tax rates – what has been happening to your tax rates? HB 920 impact, and how tax rates respond to modeled valuation changes. How do things look in future years, and overall impact to revenue? Tax settlement sheets – what are your tax settlement sheets telling you, or omitting? – advances, delinquencies, refunds, exemptions, rollback and homestead reimbursement, and year-over-year change analysis. Putting it altogether – making future year projections, including impact analysis and modeling. Public utility and property tax allocation – review and revenue projections Income tax – review and revenue projections, plus statewide and local trend discussion Tax revenue estimates are then used to update cash flow projections for current and future fiscal years, which will then give the district treasurers a reliable picture of the ‘ebb and flow’ of their revenue in which they need to manage their districts to. This data will also lend well to income tax cash flow projections to be discussed later on in the seminar. This session will increase the attendee’s working knowledge of local property tax collections, including local economic indicators that should be incorporated in to the treasurer’s forecasted property tax estimates and ultimately the timing and amount of cash flow projections for the year. Reliable cash flow projections are necessary for effective cash management by the school district, as treasurer’s need to ensure that they have enough cash on-hand to meet expenditure or debt obligations throughout the fiscal year, as well as to identify available funds for investment purposes.

State Formula Funding Matt Bunting, Consultant, Public Finance Resources, Inc., Stacy Overly, Consultant, Public Finance Resources, Inc.	State funding is one of the two major sources of revenue that Ohio school districts receive and need to manage their cash flow to. With a new biennial budget set for released for the FY 2020/2021 school year, it is essential that treasurers understand all the pieces of the funding formula and how the interaction of those pieces impact the cash they receive as circumstances change throughout the year. In this session, Matt Bunting and Stacy Overly, Senior Analytics Advisors at Forecast5 Analytics (Formerly PFR), will analyze the components of the funding formula and how changes in enrollment and economic factors could have a major impact on projected funding and district wealth ranking. Information to be covered in this session includes: What changed from the prior formula? Enrollment – overall trends, count being used, and projections State funding calculator – how it works, what your amount will be, plus the additional funding for wellness and poverty rate Your district’s state funding message Economic disadvantaged funding Unrestricted and restricted aid wrap-up Tangible personal property reimbursement phase-out Knowing the factors that impact funding, the district CFO will be better prepared to project current and future year cash flow revenue. Thorough understanding and working knowledge of how state funding is calculated for a district is imperative for cash management, as it is one of the two main revenue sources for Ohio schools. This session will enhance the treasurer’s understanding of the state’s funding formula for the next two years, and what are important indicators to keep in mind and predict. Accurate cash flow projections and management are essential to helping ensure the district can meet all of its expenditure obligations and identifying monies available for investments.
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