Louisville City School District

Stark County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2014, 2015 and 2016 Actual;
Forecasted Fiscal Years Ending June 30, 2017 Through 2021

MAY 2017

		Actual				Forecasted				
		Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Average Change	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
	Revenues									
1.010	General Property Tax (Real Estate)	$6,627,922	$7,341,644	$7,547,602	6.8%	$7,699,681	$7,727,995	$7,018,591	$6,289,601	$6,313,358
1.020	Tangible Personal Property Tax	561,978	569,013	633,218	6.3%	704,748	713,781	684,515	655,975	662,535
1.035	Unrestricted State Grants-in-Aid	14,029,823	14,162,557	14,378,114	1.2%	14,244,563	14,172,259	14,172,475	14,172,582	14,172,644
1.040	Restricted State Grants-in-Aid	239,554	321,905	244,341	5.1%	232,660	259,488	256,279	255,175	253,965
1.050	Property Tax Allocation	1,175,385	1,318,383	1,299,215	5.4%	1,229,320	1,234,050	1,145,450	1,019,714	1,024,176
1.060	All Other Revenues	1,604,976	1,700,977	1,625,728	0.8%	1,750,669	1,584,730	1,584,830	1,584,930	1,585,030
1.070	*Total Revenues*	24,239,638	25,414,479	25,728,218	3.0%	25,861,641	25,692,303	24,862,140	23,977,977	24,011,708
	Other Financing Sources									
2.040	Transfers-In	56,431	58,369		-48.3%					
2.050	Advances-In	135,000	125,000		-53.7%					
2.060	All Other Financing Sources		296	20,285		68,540	15,000	15,000	15,000	15,000
2.070	*Total Other Financing Sources*	191,431	183,665	20,285	-46.5%	68,540	15,000	15,000	15,000	15,000
2.080	*Total Revenues and Other Financing Sources*	24,431,069	25,598,144	25,748,503	2.7%	25,930,181	25,707,303	24,877,140	23,992,977	24,026,708
	Expenditures									
3.010	Personal Services	14,243,685	14,513,154	14,827,882	2.0%	14,162,755	15,110,299	15,504,493	15,879,366	16,246,087
3.020	Employees' Retirement/Insurance Benefits	5,511,777	5,555,787	5,869,689	3.2%	5,292,900	5,759,392	6,790,707	7,271,728	7,740,524
3.030	Purchased Services	2,406,958	2,796,006	3,055,327	12.7%	4,473,589	3,550,744	3,575,224	3,629,124	3,675,624
3.040	Supplies and Materials	578,759	749,440	612,951	5.6%	853,875	753,900	773,900	783,900	793,900
3.050	Capital Outlay	137,777	215,329	205,647	25.9%	276,227	235,000	240,000	245,000	250,000
	Debt Service:									
4.010	Principal-All (Historical Only)	50,000	55,000	30,542	-17.2%					
4.055	Principal-Other					62,498	64,434	66,430	68,488	35,035
4.060	Interest and Fiscal Charges	6,431	3,368	5,032	0.9%	8,650	6,714	4,718	2,660	539
4.300	Other Objects	345,953	304,905	328,560	-2.1%	329,095	358,455	344,800	360,400	349,500
4.500	*Total Expenditures*	23,281,340	24,192,989	24,935,630	3.5%	25,459,589	25,838,938	27,300,272	28,240,666	29,091,209
	Other Financing Uses									
5.010	Transfers-Out	58,431	58,919		-49.6%					
5.020	Advances-Out	135,000	125,000		-53.7%					
5.040	*Total Other Financing Uses*	193,431	183,919		-52.5%					
5.050	*Total Expenditures and Other Financing Uses*	23,474,771	24,376,908	24,935,630	3.1%	25,459,589	25,838,938	27,300,272	28,240,666	29,091,209
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	956,298	1,221,236	812,873	-2.9%	470,592	131,635-	2,423,132-	4,247,689-	5,064,501-
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	1,354,234	2,310,532	3,531,768	61.7%	4,344,641	4,815,233	4,683,598	2,260,466	1,987,223-
7.020	*Cash Balance June 30*	2,310,532	3,531,768	4,344,641	37.9%	4,815,233	4,683,598	2,260,466	1,987,223-	7,051,724-
8.010	*Estimated Encumbrances June 30*	509,177	479,183	429,897	-8.1%					
	Reservation of Fund Balance									
9.070	Bus Purchases	75,566	75,566	66,371	-6.1%	66,371				
9.080	*Subtotal*	75,566	75,566	66,371	-6.1%	66,371				
10.010	*Fund Balance June 30 for Certification of Appropriations*	1,725,789	2,977,019	3,848,373	50.9%	4,748,862	4,683,598	2,260,466	1,987,223-	7,051,724-
	Revenue from Replacement/Renewal Levies									
11.020	Property Tax - Renewal or Replacement							930,264	1,860,536	1,860,553
11.300	Cumulative Balance of Replacement/Renewal Levies							930,264	2,790,800	4,651,353
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	1,725,789	2,977,019	3,848,373	50.9%	4,748,862	4,683,598	3,190,730	803,577	2,400,371-
15.010	*Unreserved Fund Balance June 30*	1,725,789	2,977,019	3,848,373	50.9%	4,748,862	4,683,598	3,190,730	803,577	2,400,371-
	ADM Forecasts									
20.010	Kindergarten - October Count	230	229	190	-8.7%	189	193	189	202	192
20.015	Grades 1-12 - October Count	2,880	2,829	2,727	-2.7%	2693	2652	2596	2563	2550

5.15.2017

See accompanying summary of significant forecast assumptions and accounting policies.
Includes: General fund, Emergency Levy fund and any portion of Debt Service fund related to General fund debt.



Louisville City School District - Stark County

Five Year Forecast Financial Report

May 2017

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Forecast Purpose/Objectives

Ohio Department of Education's purposes/objectives for the five-year forecast are:

1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

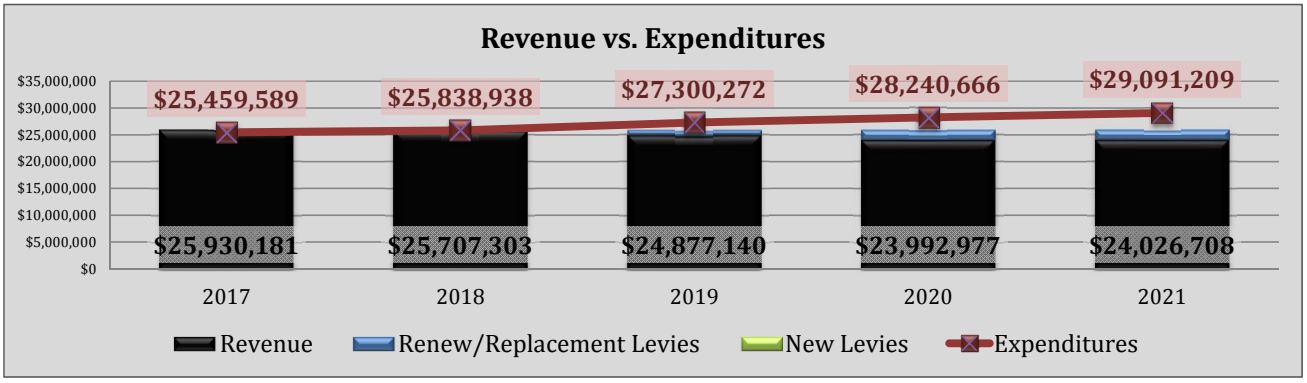
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Five Year Forecast - Simplified Statement

	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
Beginning Balance	4,344,641	4,815,233	4,683,598	3,190,730	803,577
+ Revenue	25,930,181	25,707,303	24,877,140	23,992,977	24,026,708
+ Proposed Renew/Replacement Levies	-	-	930,264	1,860,536	1,860,553
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(25,459,589)	(25,838,938)	(27,300,272)	(28,240,666)	(29,091,209)
= Revenue Surplus or Deficit	470,592	(131,635)	(1,492,868)	(2,387,153)	(3,203,948)
Ending Balance	4,815,233	4,683,598	3,190,730	803,577	(2,400,371)
Revenue Surplus or Deficit w/o Levies	470,592	(131,635)	(2,423,132)	(4,247,689)	(5,064,501)
Ending Balance w/o Levies	4,815,233	4,683,598	2,260,466	(1,987,223)	(7,051,724)

Summary:

The Five Year Forecast is first and foremost a planning document used by the Board of Education and District Administration. Based on the assumptions discussed in the following pages, the above graph is a snapshot of the budget for the District's general operating fund. The Board of Education and District Administration are charged with operating the District efficiently and effectively while operating within the District's means. As demonstrated above, the District is showing deficit spending in fiscal years 2018, 2019, 2020, and 2021 with the inclusion of tax proceeds associated with the renewal of the District's emergency operating levy. The emergency levy can be put on the ballot as early as November 2017 to seek renewal. With the projected deficit spending, the ending cash balance is reduced each year and projected as negative in fiscal year 2021 assuming the renewal of the levy. To offset deficit spending, the District will need to either receive additional revenues or reduce expenditures.

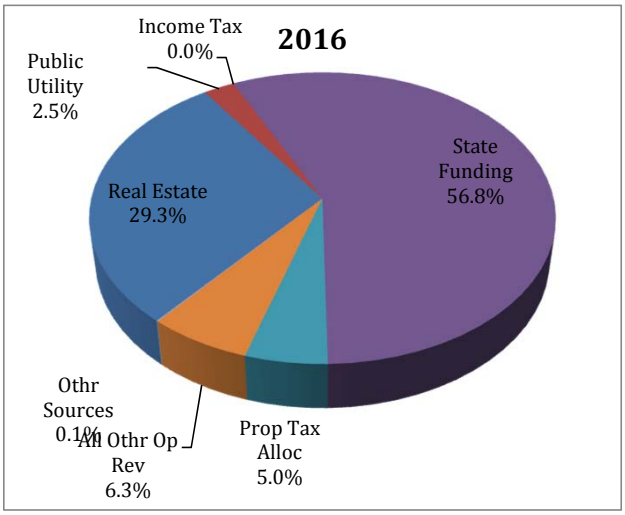


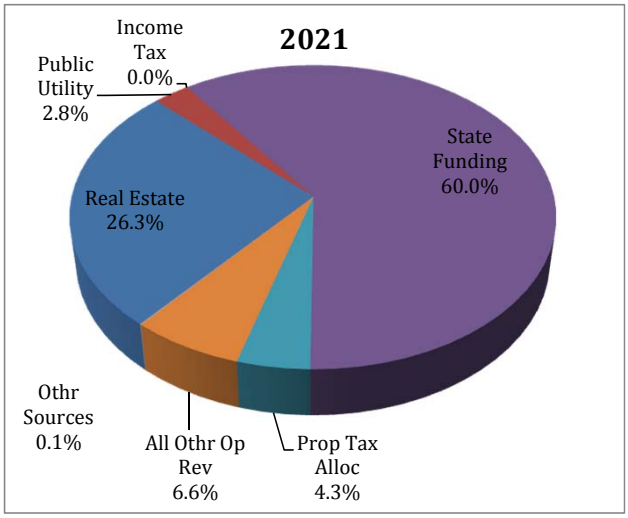
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Revenue Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	
Revenue:							
1.010-Real Estate	5.17%	2.01%	0.37%	0.70%	0.44%	0.30%	0.76%
1.020-Public Utility	11.70%	11.30%	1.28%	0.82%	0.94%	0.95%	3.06%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	1.23%	-0.93%	-0.51%	0.00%	0.00%	0.00%	-0.29%
1.040-Restricted Aid	46.78%	-4.78%	11.53%	-1.24%	-0.43%	-0.47%	0.92%
1.045-Restr Federal SFSF	-67.87%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-1.78%	-5.38%	0.38%	3.51%	0.48%	0.35%	-0.13%
1.060-All Other Operating	13.57%	7.69%	-9.48%	0.01%	0.01%	0.01%	-0.35%
1.070-Total Revenue	1.87%	0.52%	-0.65%	0.39%	0.18%	0.13%	0.11%
2.070-Total Other Sources	13.33%	237.89%	-78.11%	0.00%	0.00%	0.00%	31.95%
2.080-Total Rev & Other Srcs	1.84%	0.71%	-0.86%	0.39%	0.18%	0.13%	0.11%

In total, revenues are projected to increase by $181,677, or 0.71 percent, in fiscal year 2017. This is largely due to the increase realized in real estate and public utility tax revenues which are projected to increase by a total of $223,609, or 2.73 percent from fiscal year 2016 to fiscal year 2017. Unfortunately, unrestricted state funding is projected to decrease by $133,551, or 0.93%, in fiscal year 2017. As represented below, state funding, real estate tax, and public utility tax accounted for 88.6% of total revenues in fiscal year 2016 while property tax allocation and other revenues/sources comprised the remaining 11.4%. Further information on each revenue source is provided on the next several pages.

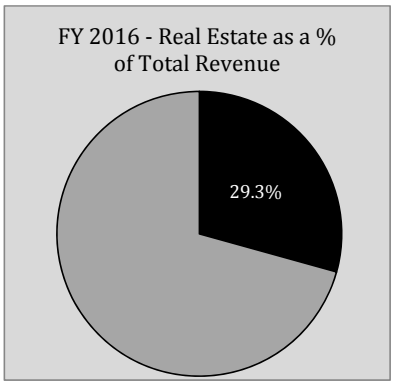


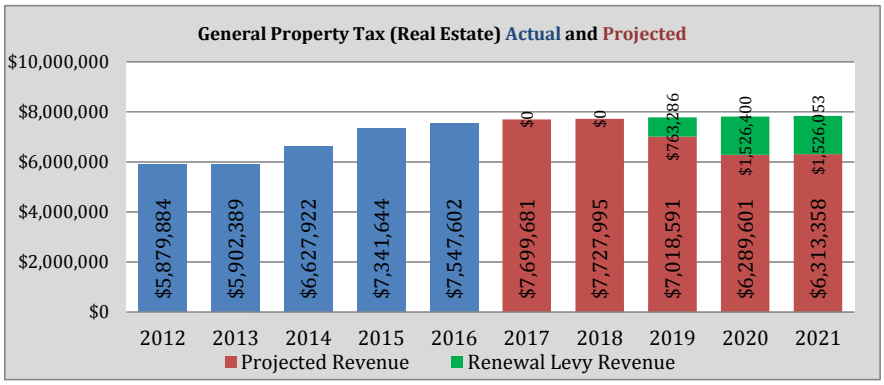


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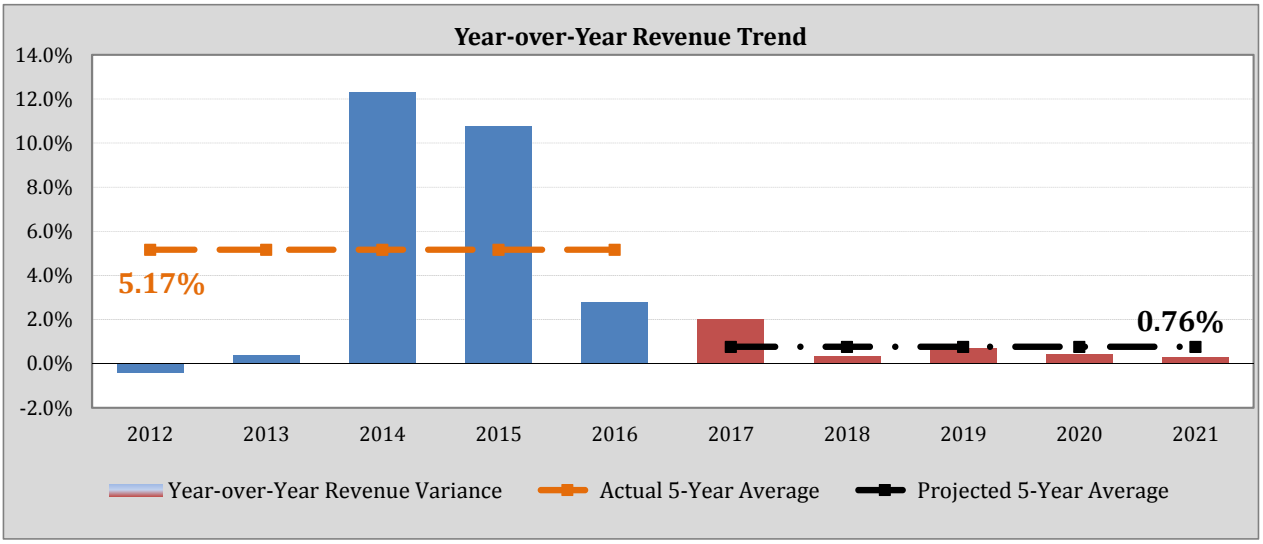
1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).





Real Estate Tax is the second highest revenue source for the Louisville City School District's general operating fund. These revenues are generated from both the District's inside and outside (voted) millage. In fiscal year 2015, the District began to realize the full effect of the new emergency levy passed in May 2013. The District began collection of the new tax in the second half of fiscal year 2014 and will receive a full year's worth of revenue for fiscal years 2015, 2016, 2017 and 2018. In fiscal year 2019, the District will receive the proceeds from the five-year levy for the first half of the fiscal year but not in the second half unless the levy is renewed. The first opportunity to attempt a levy renewal will come in November 2017. The District has until November 2018 to renew the levy without the loss of any revenue. For forecasting purposes, the renewal of the levy cannot be assumed in any of the line items that currently receive proceeds from the levy (this includes lines 1.010, 1.020 and 1.050). Instead, the value of the levy is held in line 11.020 until it is renewed. This is the reason for the revenue drop in 2019. The real estate market within the District appears to be rebounding. Following the 2012 sexennial reappraisal, the District saw its total valuation drop from $341 million to $313 million. Stark County completed the triennial update process in tax year 2015. As a result, the District's assessed valuation realized an increase in tax year 2015 to $358 million which is a sign of the market rebounding; however, it is important to note that this increased value is still only slightly greater than the pre-recession values in 2006. Tax year 2016 values showed a 2% increase to a total of $365,355,510. Past 2016, assessed valuation increases are projected at an average of 0.5% in non-reappraisal/update years, and at an average of 2% in reappraisal/update years.

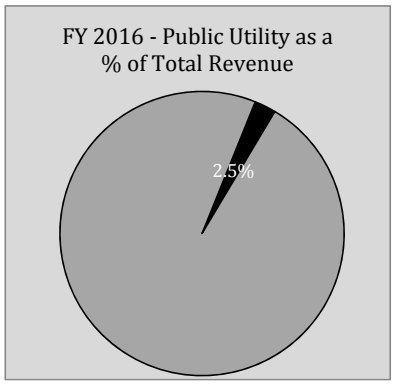


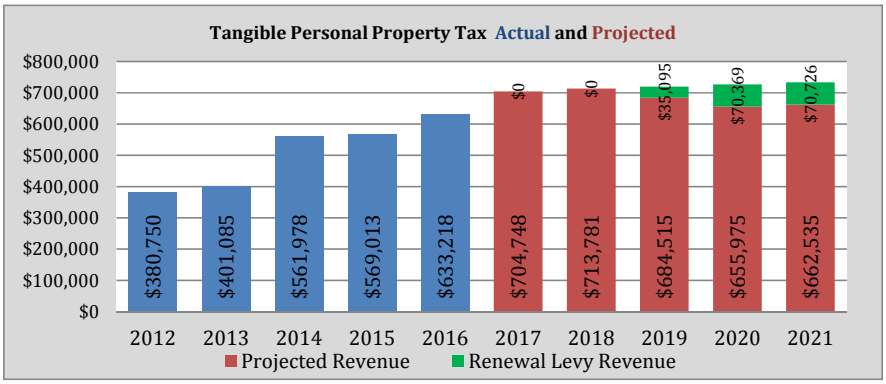
**Projected % trends include renewal levies*

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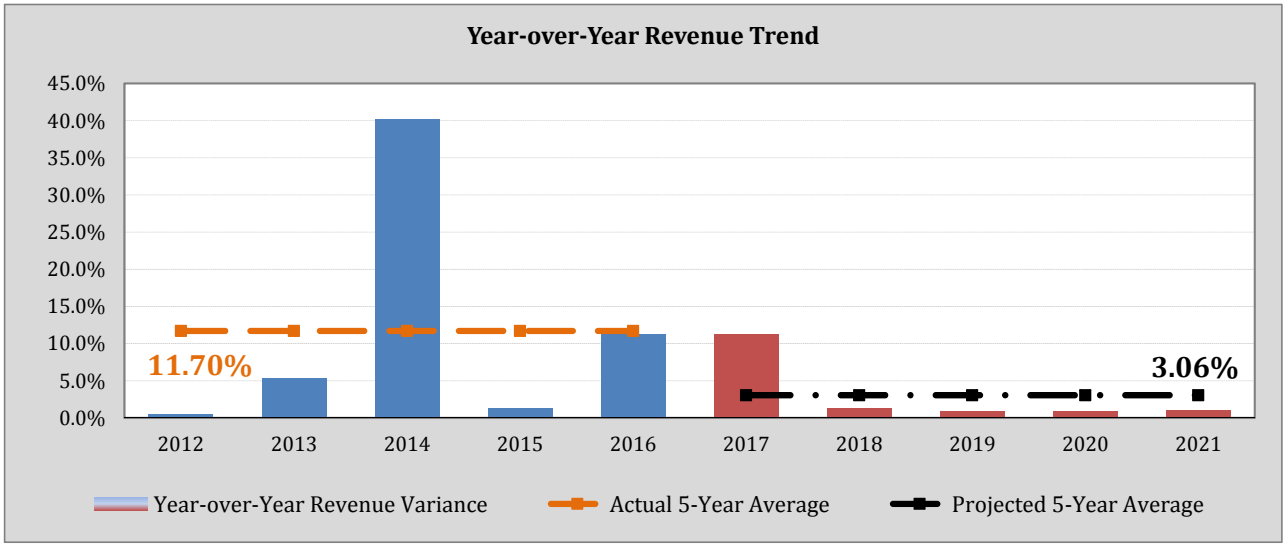
1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.





This line item reflects the taxes raised from the only companies still required to pay tangible personal property tax: utility companies. Gradual growth is assumed moving forward with a drop off in 2019 due to the emergency levy situation referenced previously. In general, valuations for the utility companies have been strong in recent years, averaging an increase of about 5.2% for tax years 2010 through 2013, with a spike to nearly 13% for tax year 2014 and to approximately 27.5% for tax year 2015. Utility companies have been heavily reinvesting in their own infrastructure. The overall valuation growth has allowed for the growth of this revenue stream. Moving forward, the reinvestment taking place is expected to taper off. Assessed valuation increases for public utilties is forecasted at 1% for each of the forecast years.

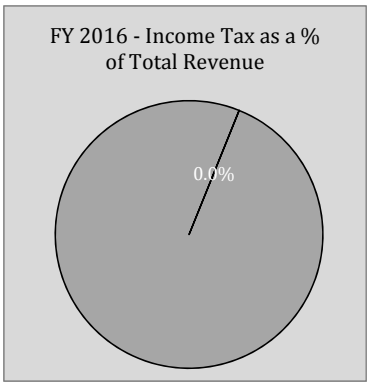


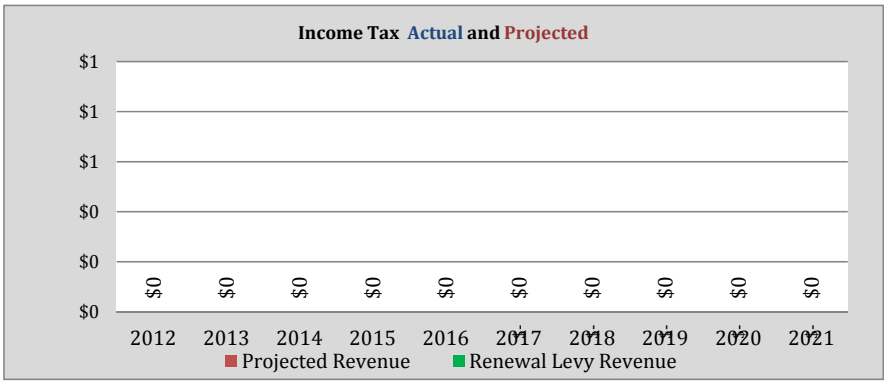
**Projected % trends include renewal levies*

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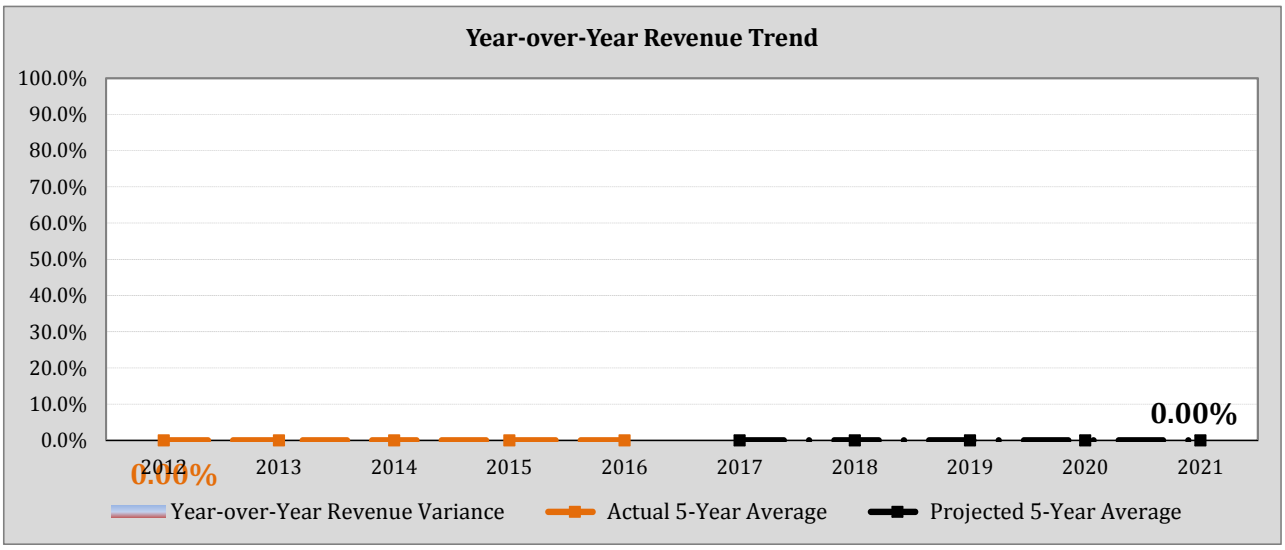
1.030 - Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.





N/A

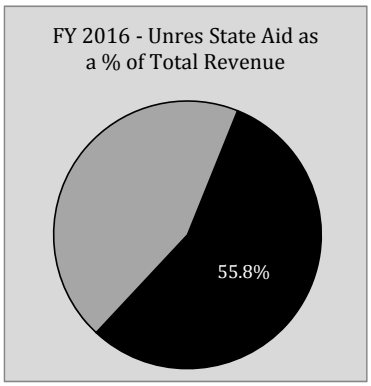


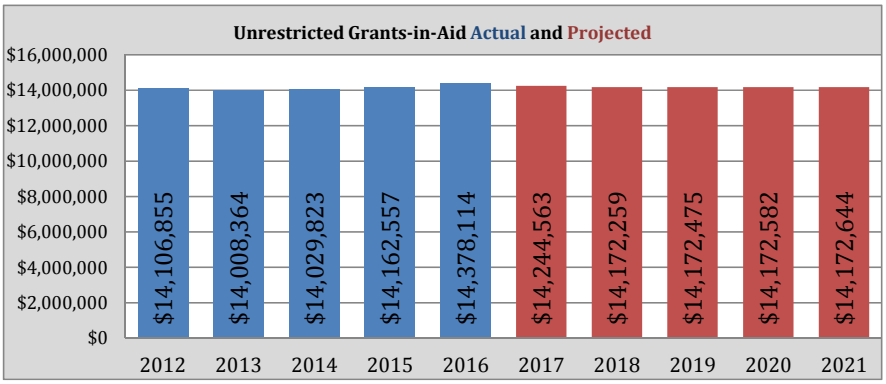
**Projected % trends include renewal levies*

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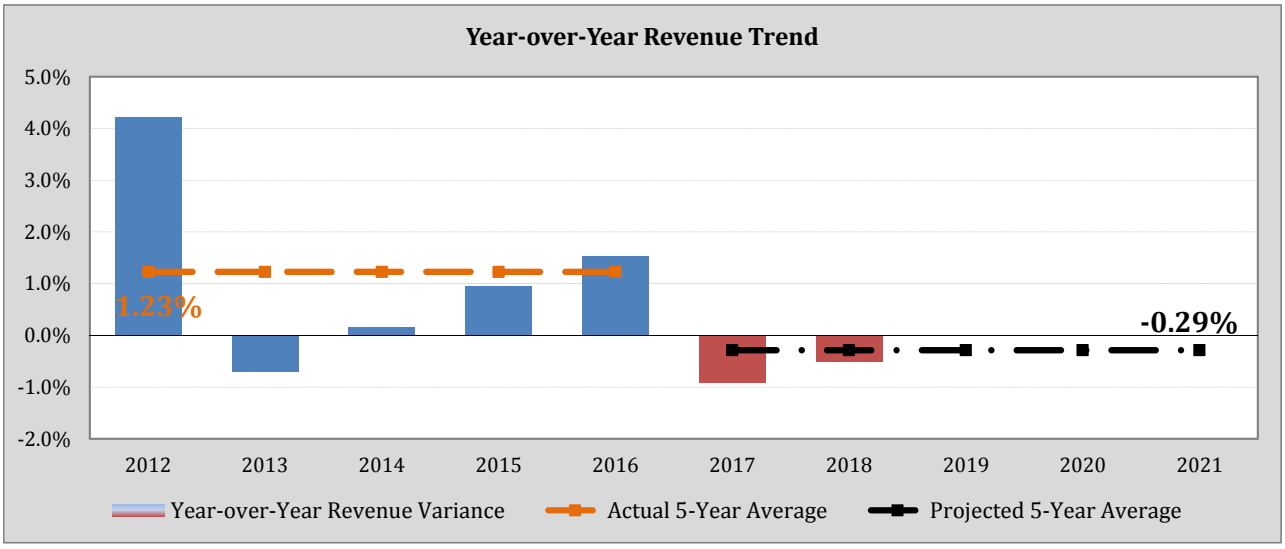
1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.





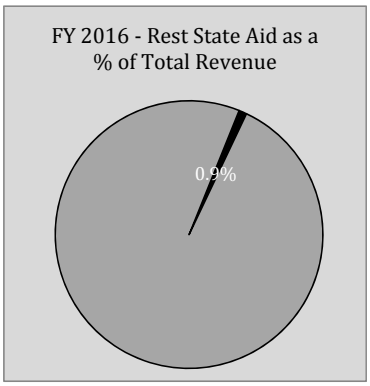
Unrestricted Grants-in-Aid is the District's largest revenue source and is determined by the state funding formula for schools in Ohio. In July, 2015, the State Legislature approved the new biennium budget which kept the same funding formula introduced in the previous biennium with only minor changes. The various components of the formula are based on student enrollment and the relative wealth of the District in comparison to districts around the state. The relative wealth, as calculated by ODE, determines how large of a percentage the District will receive of the per pupil amount the state allocates. For fiscal years 2016 and 2017, the per pupil amount is set at $5,900 and $6,000, respectively. The District's percentage for fiscal years 2016 and 2017 is 59.58%. After 2017, it is projected to decrease based on the District appearing wealthier due to the projected increase in property valuations and the projected decrease in student enrollment. As has been the case in recent years, the decreasing student enrollment is going to present a long-term problem for the District financially. Moving forward, the expectation is the trend on residential enrollment will continue. The decreased number of resident students (ADM) between fiscal years 2017 and 2021 show an average loss of 35 students per year. The forecasted decrease in student population could put the district on the funding formula guarantee as early as fiscal year 2018 which means the formula calculates a funding amount lower than what the Districe received previously. The new biennium budget which will take effect July 1, 2017, is currently being debated with the legislature. Recent State revenue projections have not reached estimates, so the outcome of the budget does not look promising in terms of increased education funding. In addition to state foundation revenue, casino tax revenue is also included on this revenue line item which accounted for $147,246 in fiscal year 2017.

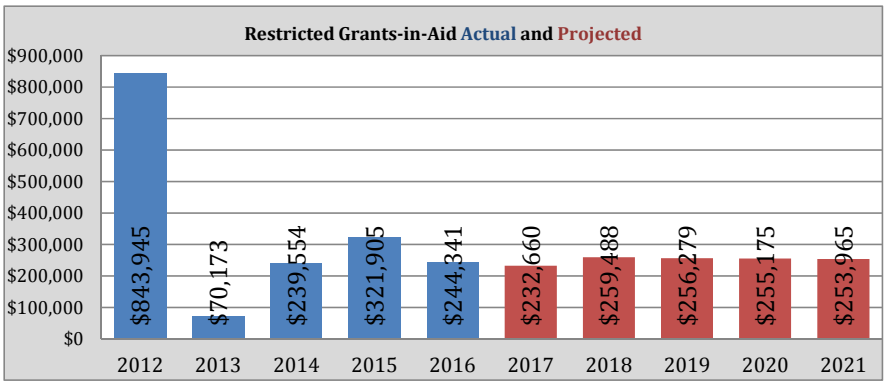


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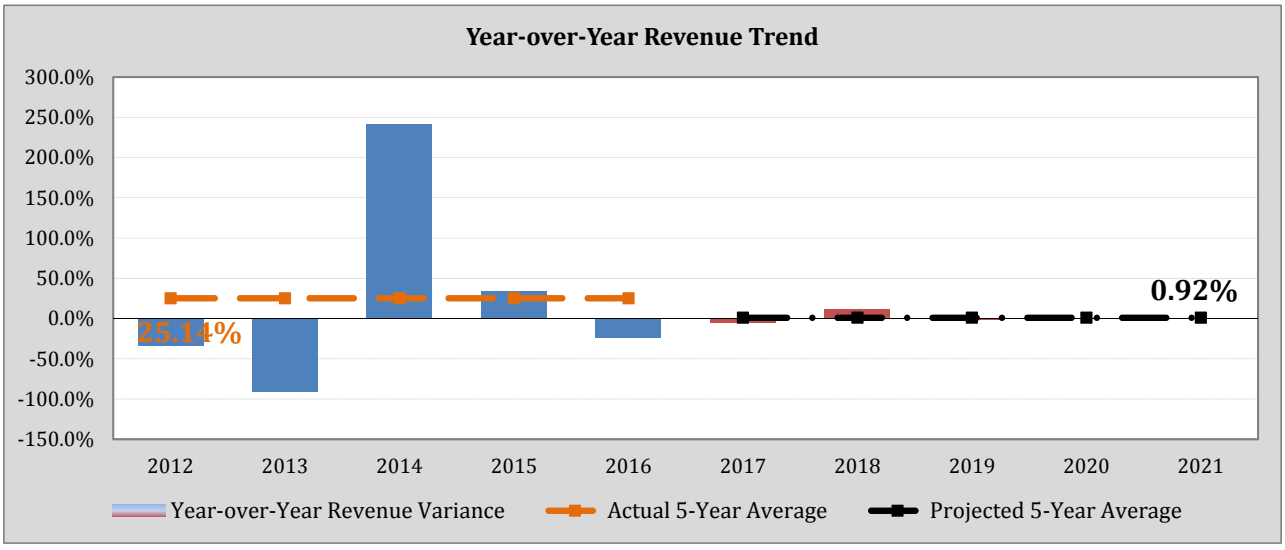
1.040 & 1.045 - Restricted Grants-in-Aid

Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.





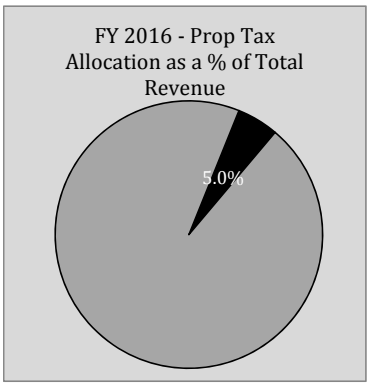
Formerly, this line item, 1.040, was only used to record the state funding for Career and Technical Education and Catastrophic Aide. However, under the new funding model, the state is directing a portion of state aid to provide economic disadvantage funding. The proceeds for that funding are now also recorded here. Similar to Career and Technical Education dollars, the state has established a list of guidelines for what specifically these dollars can be used for. The District is expecting about $52,000 in Career and Technical Education Funding and $146,000 in economically disadvantaged funding. This would represent a combined decrease of nearly 5% for these two areas in fiscal year 2017. This decrease is a net result of decreased economic disadvantage funding as a result of decreased enrollment and additional career tech weighted funds the District anticipates receiving by expanding these courses to the middle school for the first time in fiscal year 2017. Catastrophic Aide caused this line item to experience a spike in 2015 due to higher program costs relating to special education. As a part of the previous state biennium budget, additional money was allocated to the Catastrophic Aide pool to help all districts. Although the District received $144,200 in aide for 2015, only $30,475 was received in 2016. For forecasting purposes, the District is only anticipating approximately $35,000 annually.

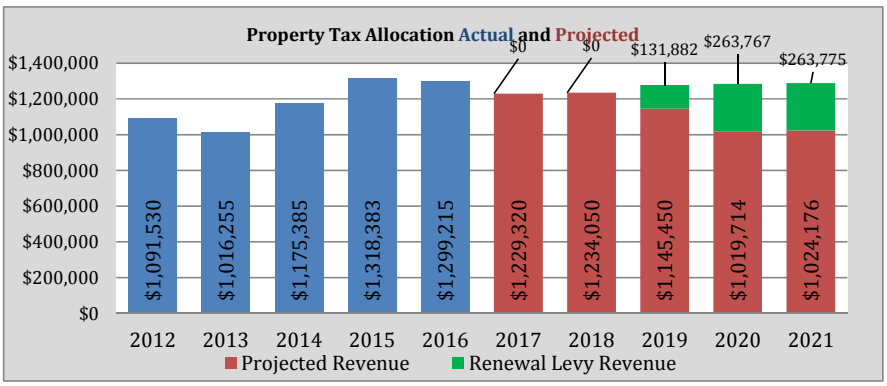


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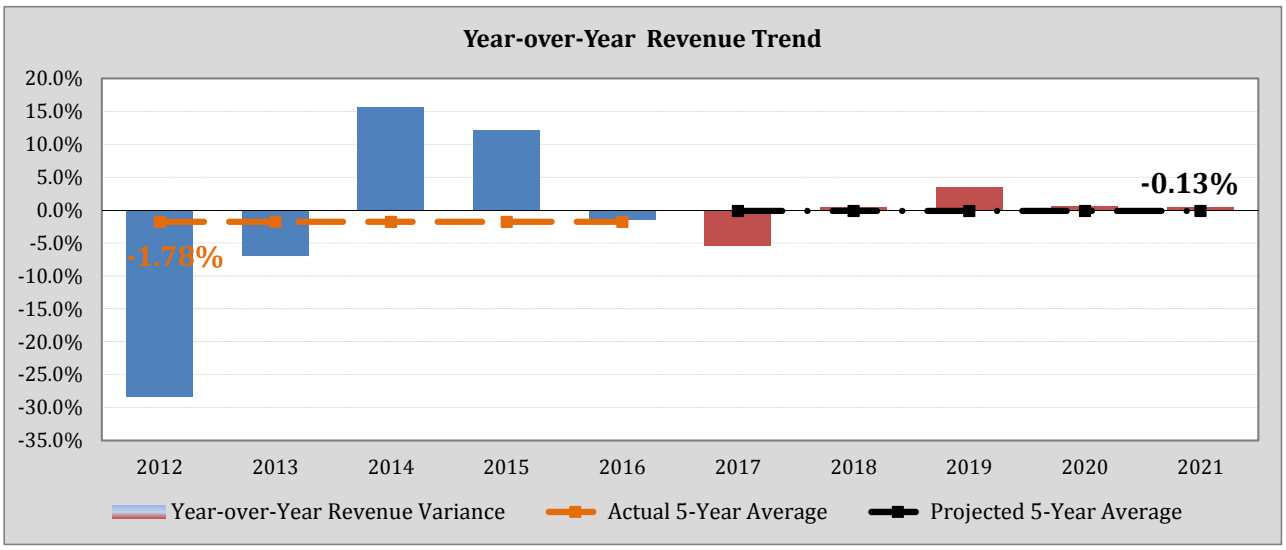
1.050 - Property Tax Allocation

Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Deregulation, Homestead and Rollback.





This allocation includes state reimbursements for Tangible Personal Property Tax loss, Homestead Exemption, and 10%/2.5% Rollback. Homestead and Rollback are state deductions taxpayers receive on their local property taxes based on certain requirements. The state, in turn, reimburses the District for revenue lost from these deductions. The last state biennium budget made some very drastic changes to these allocations moving forward. New levies passed after November 2013 will not be eligible for the rollback exemption. Fortunately, the District's emergency levy will not be impacted by this when it is up for renewal in 2017 as long as it is a renewal of the same levy with no modifications. Also the Homestead Exemption was modified for anyone not already earning it to include a new income threshold. The change will greatly decrease the number of individuals eligible in the future. Historically, this line item mirrors line 1.010 in growth or decline because it is a function of property tax collections.

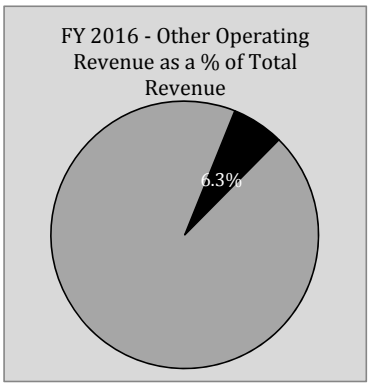


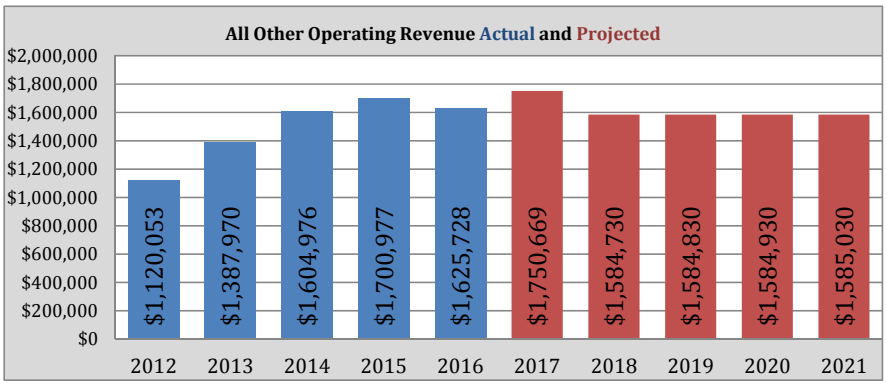
**Projected % trends include renewal levies*

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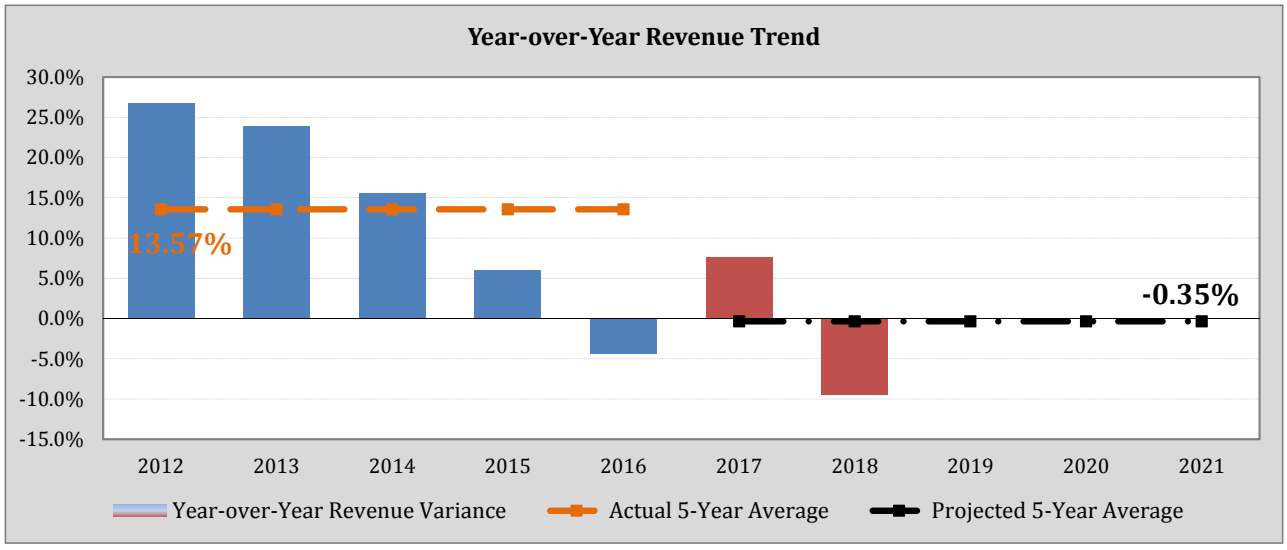
1.060 - All Other Operating Revenues

Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.





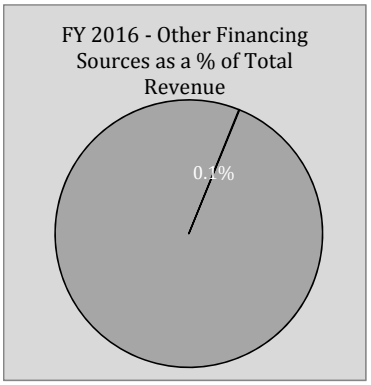
The largest revenue item classified here is funding for open enrollment students. In fiscal year 2016, the District received $944,712 for open enrollment. That figure is anticipated to be approximately $897,000 in 2017 for an estimated 156 open enrolled students. The forecast is assuming that level of students to remain consistent. Another revenue stream included in this category is the collection of fees charged to students who participate in sports and other activities. These fees help cover the cost of offering extracurricular programming. These fees only cover a small portion of total cost. In the spring of 2014, the Board studied the history of pay to participate fees, the impact on the District's programs, and the impact on the District's families. The Board determined there was very little consistency in how much fees were charged from one year to the next and found that higher fees hurt participation. In an attempt to correct both problems, the Board decided to cut all of the fees in half and lower family caps. Furthermore, the Board committed to leaving the fees set at that amount for the three years (2015, 2016, and 2017) and approved an extension for another year (2018) at which time they will be reevaluated. The total amount collected from these fees was $86,921 in 2016, which was a $60,000 decrease from 2014 collections. The projected fee revenue is kept at approximately $90,000 for all five years of the forecast. The District also receives reimbursements from Medicaid for a small portion of the costs incurred providing services to special needs students. This reimbursement was much higher than normal in 2015 due the fact that the District received a large reimbursement for back claims in the amount of nearly $144,000. Annual projected revenues $115,000 each year over the forecast period for Medicaid reimbursements.

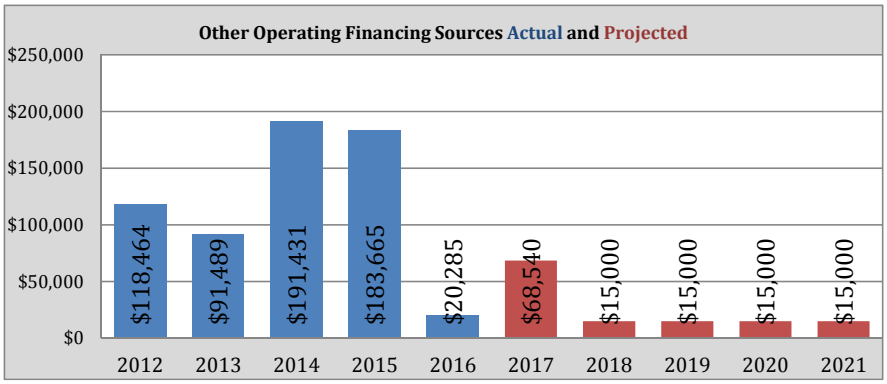


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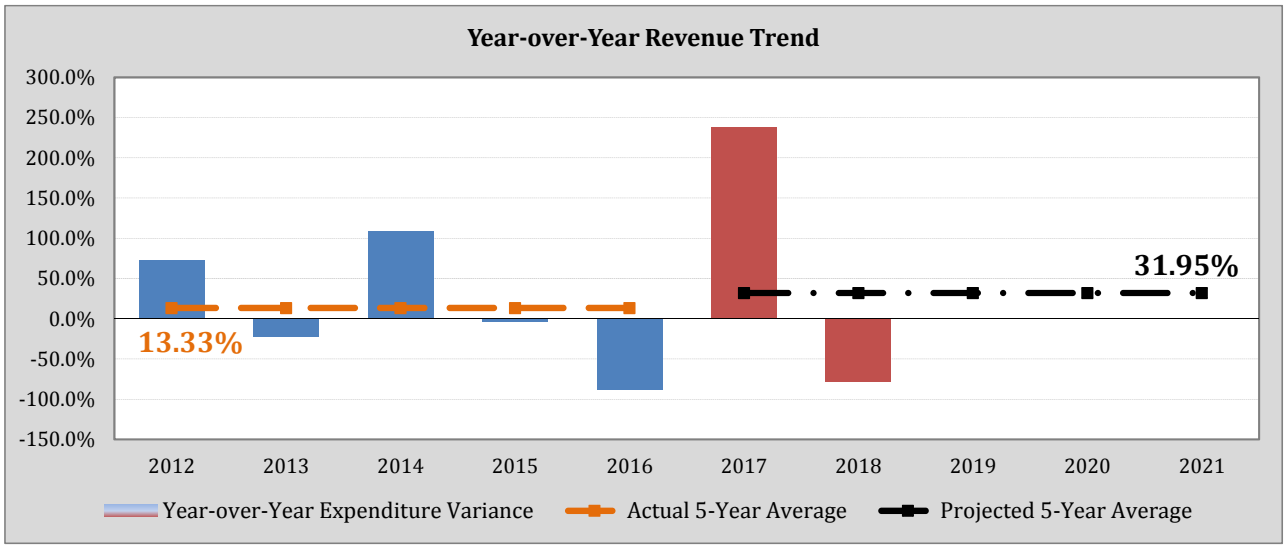
2.070 - Total Other Financing Sources

Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.





A transfer-in was made in 2015. This transfer was used for the debt service of a House Bill 264 Energy Conservation Project, which was completely paid off at the end of 2015, so the transfer will no longer be needed. Also in 2015, an advance-in of $125,000 was made. This advance in was the repayment of a short term loan given to the food service fund from the general fund to meet the food service programs liquidity needs. The food service department underwent a restructuring in 2014, which should allow it to become profitable again and allow it to rebuild its liquidity over time. A small amount ($15,000) is projected each year from fiscal year 2018 and beyond for various refunds to be received by the District.

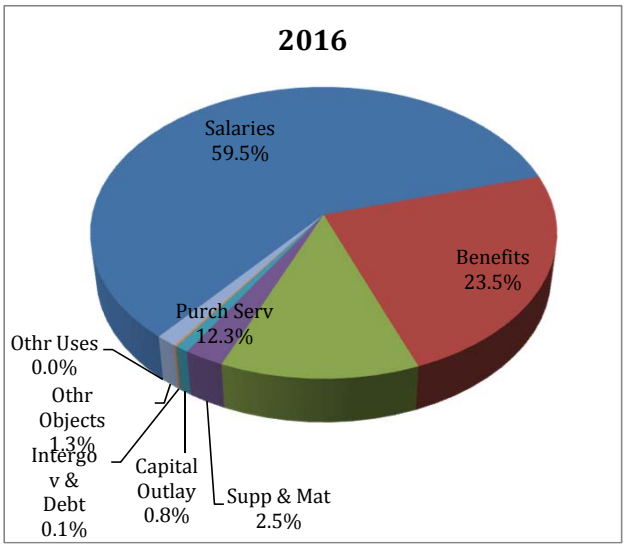


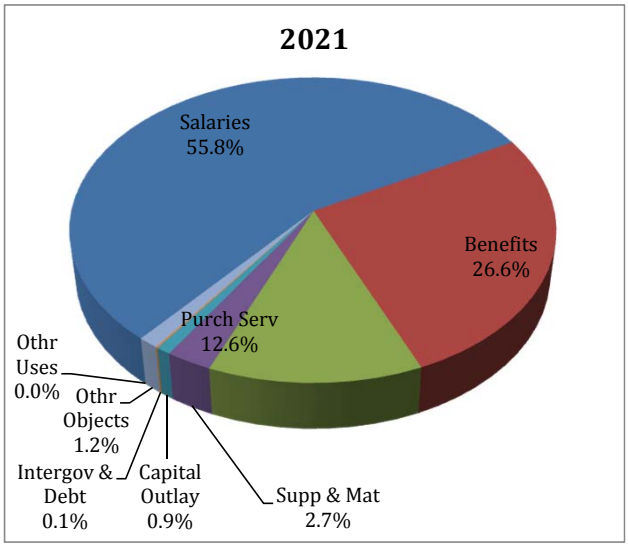
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Expenditures Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	
Expenditures:							
3.010-Salaries	-0.33%	-4.49%	6.69%	2.61%	2.42%	2.31%	1.91%
3.020-Benefits	-0.46%	-9.83%	8.81%	17.91%	7.08%	6.45%	6.08%
3.030-Purchased Services	6.60%	46.42%	-20.63%	0.69%	1.51%	1.28%	5.85%
3.040-Supplies & Materials	-2.35%	39.31%	-11.71%	2.65%	1.29%	1.28%	6.56%
3.050-Capital Outlay	479.31%	34.32%	-14.93%	2.13%	2.08%	2.04%	5.13%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	-6.44%	100.00%	0.00%	0.00%	0.00%	-50.00%	10.00%
4.300-Other Objects	3.85%	0.16%	8.92%	-3.81%	4.52%	-3.02%	1.35%
4.500-Total Expenditures	0.31%	2.10%	1.49%	5.66%	3.44%	3.01%	3.14%
5.040-Total Other Uses	11.97%	n/a	n/a	n/a	n/a	n/a	n/a
5.050-Total Exp & Other Uses	0.20%	2.10%	1.49%	5.66%	3.44%	3.01%	3.14%

In total, expenditures are projected to increase by $523,959, or 2.10%, in fiscal year 2017. This is due to the net effect of anticipated increases/decreases the District will realize in all expenditure categories. Total expenditures are forecasted to increase each of the remaining forecasted years. As represented below, salaries and benefits accounted for 83% of total expenditures in fiscal year 2016 while purchased services, supplies, capital outlay, and other expenditures comprised the remaining 17%. Further information on each expenditure category is provided on the next several pages.

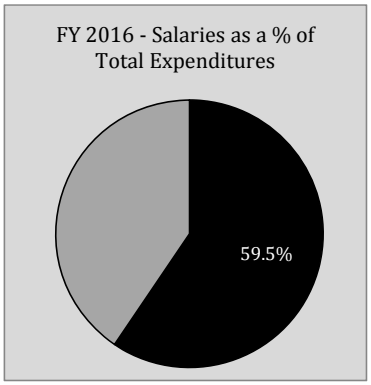


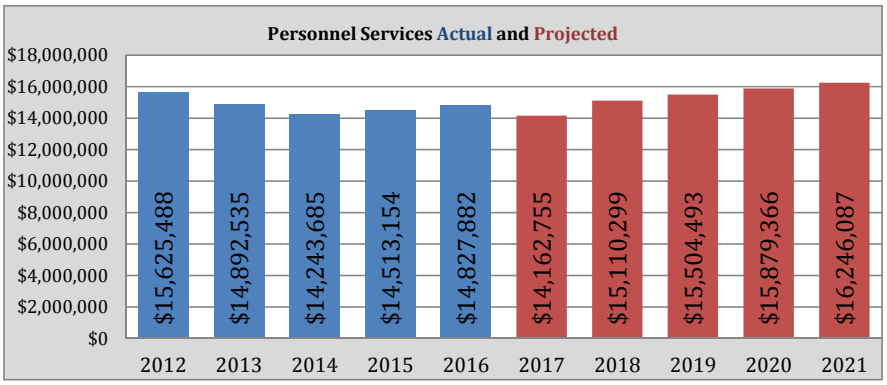


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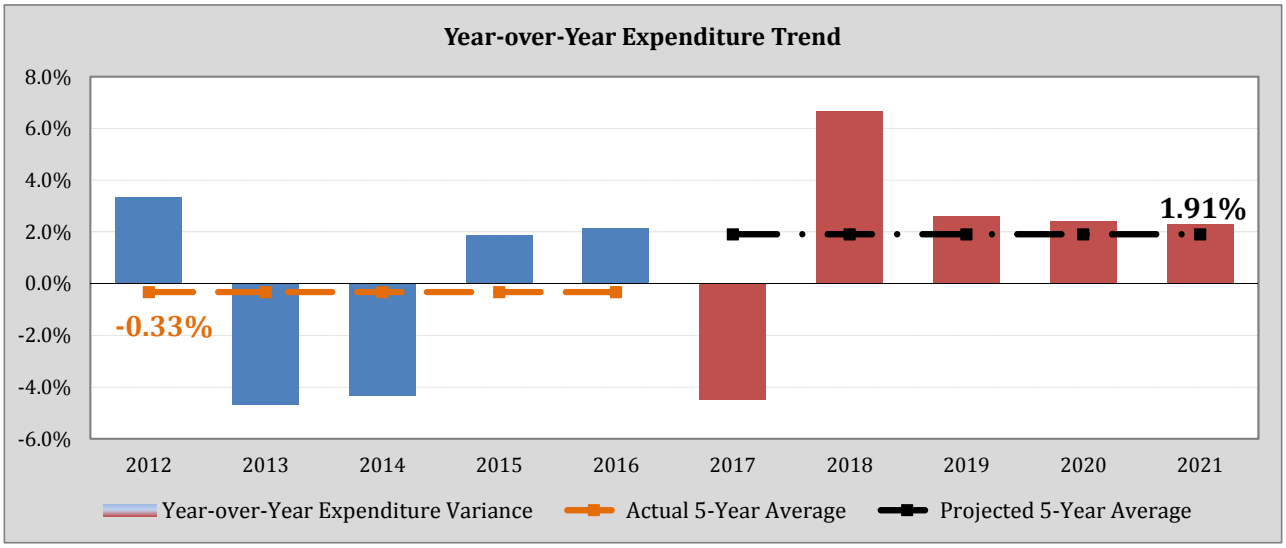
3.010 - Personnel Services

Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc.





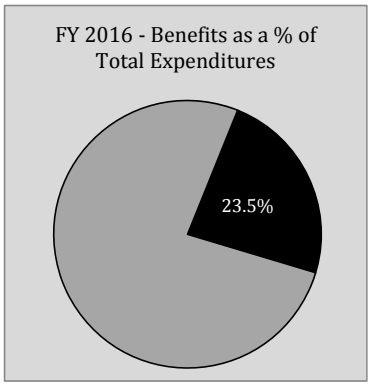
Personnel Service expenditures include employee salaries and stipends. Since the District is primarily a service agency, this is the largest expenditure category. The chart above shows a decline in both fiscal year 2013 and also fiscal year 2014. These decreases are results of reduced staffing levels. Fiscal year 2017 is once again showing a reduction partially due to a net reduction of 4 certified positions; however, the decrease is primarily a result of the reduced net wages during the teacher strike in November 2016. In January 2017, the District settled the labor contract with the Louisville Education Association to replace the one that expired June 30, 2016. The new contract covers the period of July 1, 2016 through June 30, 2019 and has salary increases which include steps each year, a 1% base increase on January 1, 2017, a 1.5% base increase for the 2017-18 school year, and a 1.5% base increase for the 2018-19 school year. These increases are incorporated into the forecasted amounts for the respective fiscal years. Forecasted base increases of 1.5% and steps are also forecasted for fiscal years 2020 and 2021. The District settled the labor contract with classified staff in October 2016. Their contract includes wage increases including steps, a 0.5% base increase on July 1, 2016 increased to 1.0% on January 1, 2017, a 1.5% base increase in fiscal year 2018, and 2% base increases in both fiscal years 2019 and 2020. It is important to note that personnel service expenditures are forecasted assuming that the current staffing levels will be maintained throughout the forecast period with the exception of one less teaching position in fiscal year 2018.

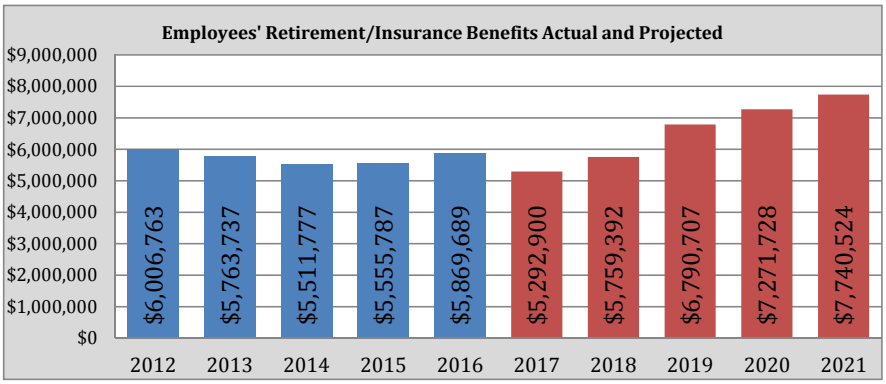


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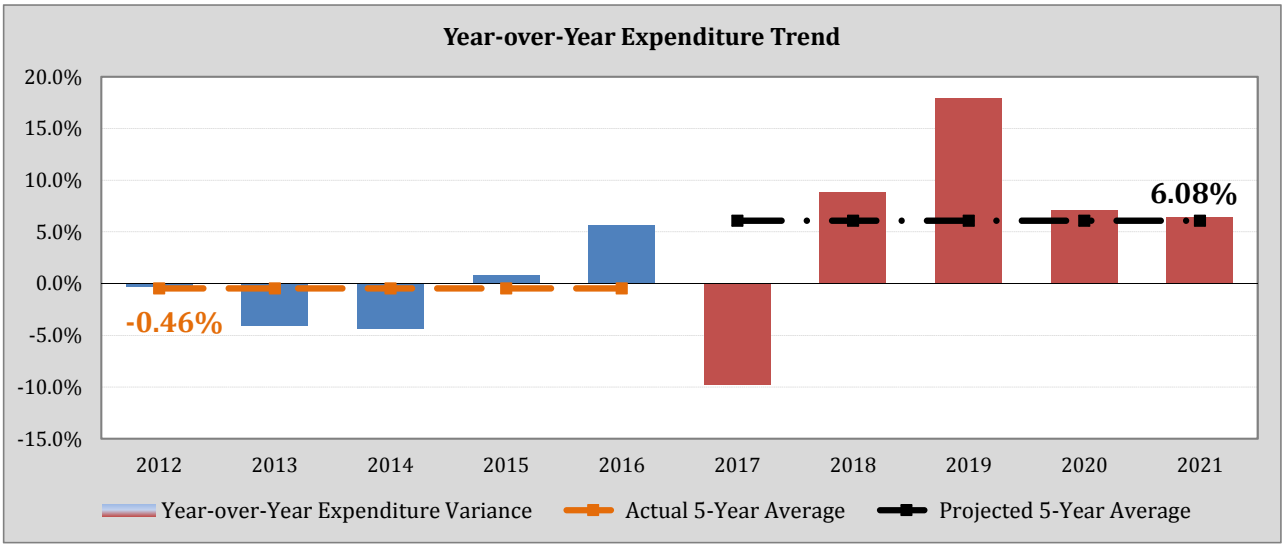
3.020 - Employees' Benefits

Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.





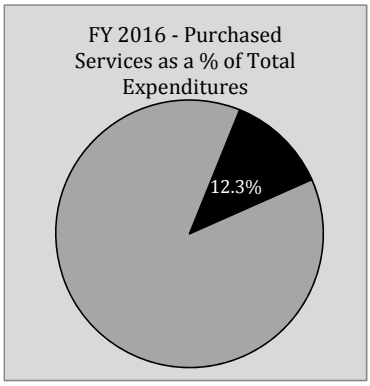
The District's second highest expenditure is Employees' Retirement/Insurance Benefits which includes the Board-paid pension benefits, medicare, worker's compensation, as well as the Board-paid share of Medical, Prescription, Dental and Vision insurance. Pension, medicare, and workers' compensation are all percentage based and are calculated based on the forecasted salaries. Insurance is calculated based on assumed annual increases to the premium. For fiscal year 2017, the premium increase amounted to 2.5 percent which is an extremely modest increase. For fiscal year 2018, the premium increase has been proposed (but is still pending approval) to be 5.4 percent. For the remainder of the forecast period, an annual increase of 10 percent is included. Another factor with the forecasted insurance amounts deals with premium holidays. Since the health plan is partially self-funded, based on the claims experience, each year the plan reserves are analyzed and if the reserves are higher than the required limit, it can and has awarded premium holidays, or a specified number of months where the premiums are reduced/waived. Since the plan experienced a great year in fiscal year 2016, the reserves were healthy, and the District was awarded three premium holidays to take advantage of in fiscal year 2017. These 3 premium holidays account for approximately $1,000,000 and are accounted for in the forecasted expenditure for fiscal year 2017. Two premium holidays have been proposed and are awaiting approval for fiscal year 2017 to be taken in fiscal year 2018 and are incorporated into the forecast. Due to the fact that these premium holidays are awarded on an annual basis and are not guaranteed from one year to the next, no premium holidays have been included in the forecasted amounts in any of the remaining forecasted years. Unemployment costs are also included in this line item. Fortunately, unemployment costs have been minimal for the District.

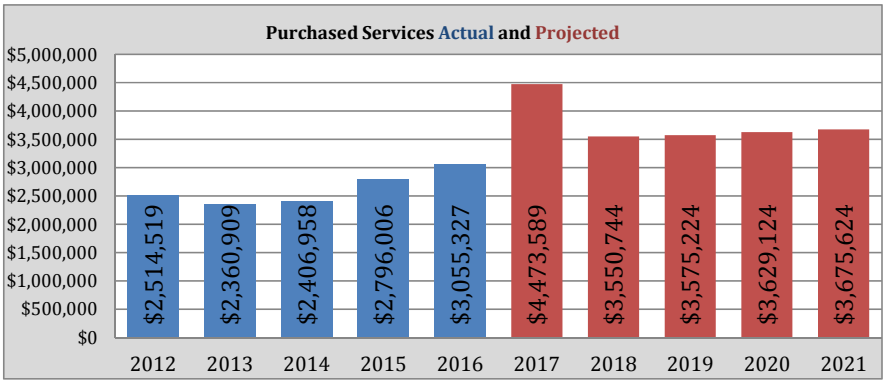


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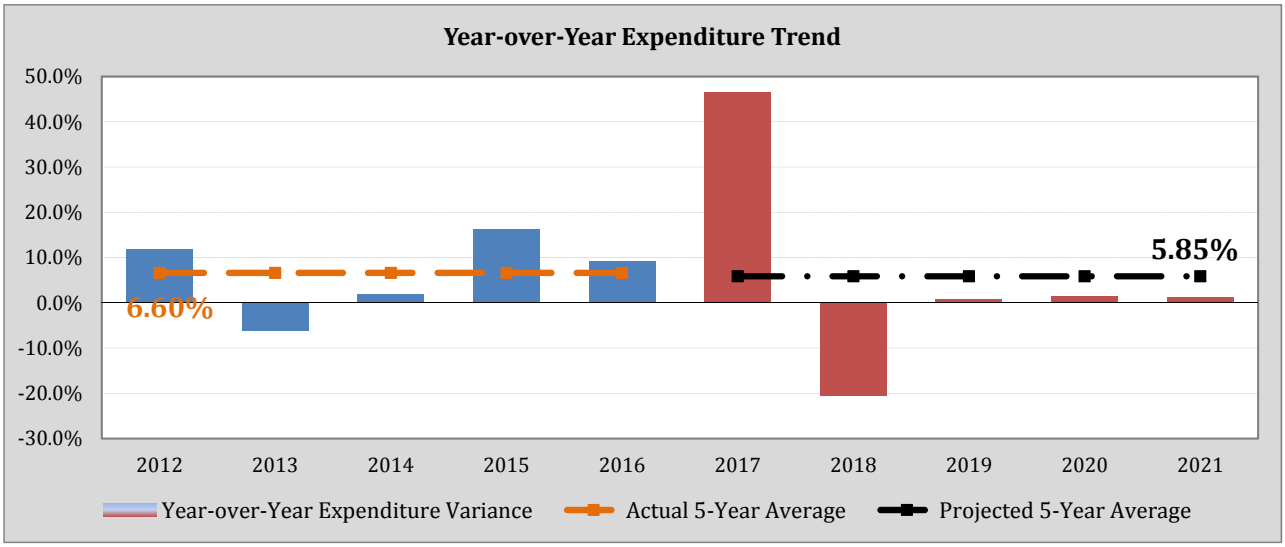
3.030 - Purchased Services

Amounts paid for personal services rendered by personnel who are not on the payroll of the school district, and other services which the school district may purchase.





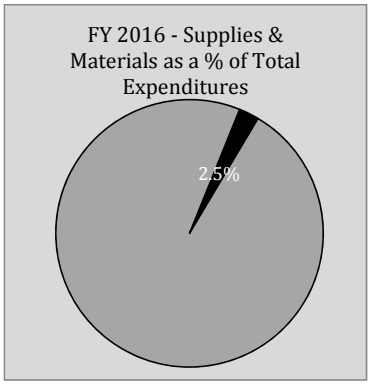
Purchased Services include utilities, tuition, property insurance, health services, repair services, and other contracted services. In addition to these, the State deductions for Community Schools and Open Enrolled Out students are included here. The District is expected to once again realize an increase in the cost of all utilities in fiscal year 2017; however, the cost of natural gas is still significanlty lower than what it was in fiscal year 2015 due to renegotiating the contracted rate to take advantage of the favorable market. The District recently rebid electric service throught the Stark County Coucil of Governments and as a result anticipates seeing reduced electricity rates in fiscal year 2018. A few of the high dollar costs in this expenditure category revolve around special education. The District contracts for occupation therapy, physical therapy, interpreter services, and other excess costs and tuition related to the District's special education needs. Regarding excess costs and special education tuition costs alone, the District is currently looking at an increase of approximately $186,000 for fiscal year 2017. These are expenditures that are needed to service the specific needs of current students and can fluctuate greatly from one year to the next. For that reason, it is difficult to forecast these costs; however, over the last several years, these costs have continued to climb, so the forecast includes a continuation of trends. The District incurs costs related to the College Credit Plus program and must pay credit hour costs and class textbooks. The tuition cost is projected at $112,000 for fiscal year 2017 and included on this line item as well.

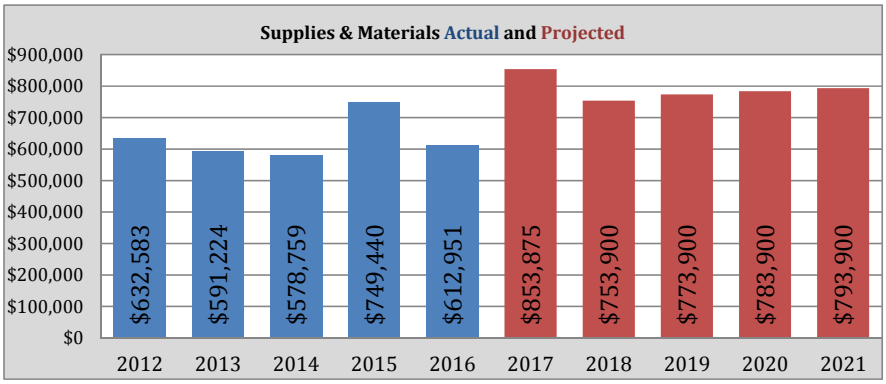


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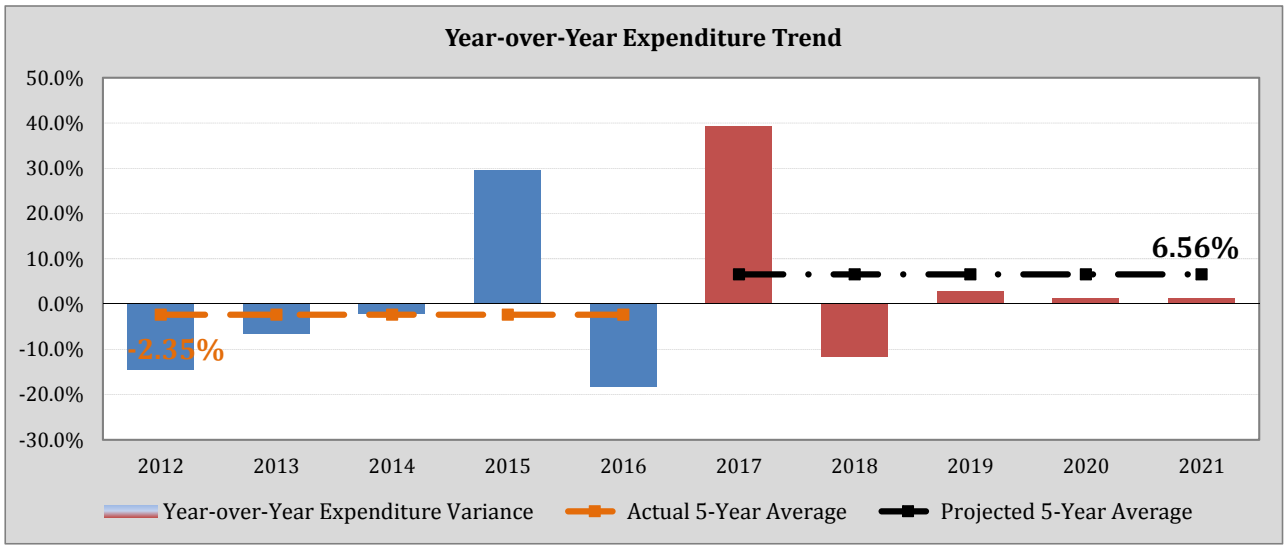
3.040 - Supplies & Materials

Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.





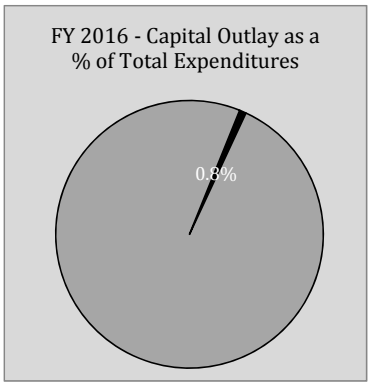
Supplies and Materials include not only instructional supplies, textbooks, and office supplies but also custodial supplies, transportation supplies, and bus fuel. Beginning in fiscal year 2015, the District made a conscious effort to fund some much needed curriculum/textbook updates. As such, $91,609 was spent in fiscal year 2015, $80,242 in fiscal year 2016, approximately $40,000 in fiscal year 2017. The District is budgeting approximately $75,000 annually for these purposes throughout the forecast period. The favorable fuel market reduced the fuel costs for the District in fiscal year 2016 coming in at $104,699. This was a decrease of $45,855 from fiscal year 2015 when the total cost came in at $150,554. Increases to these costs are anticipated and forecasted for future years.

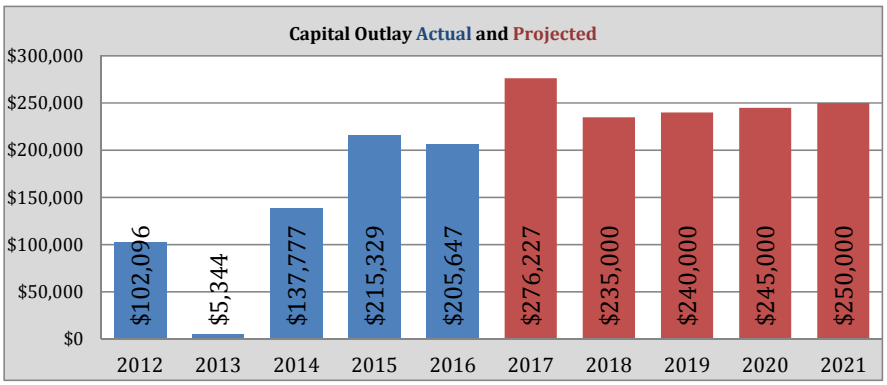


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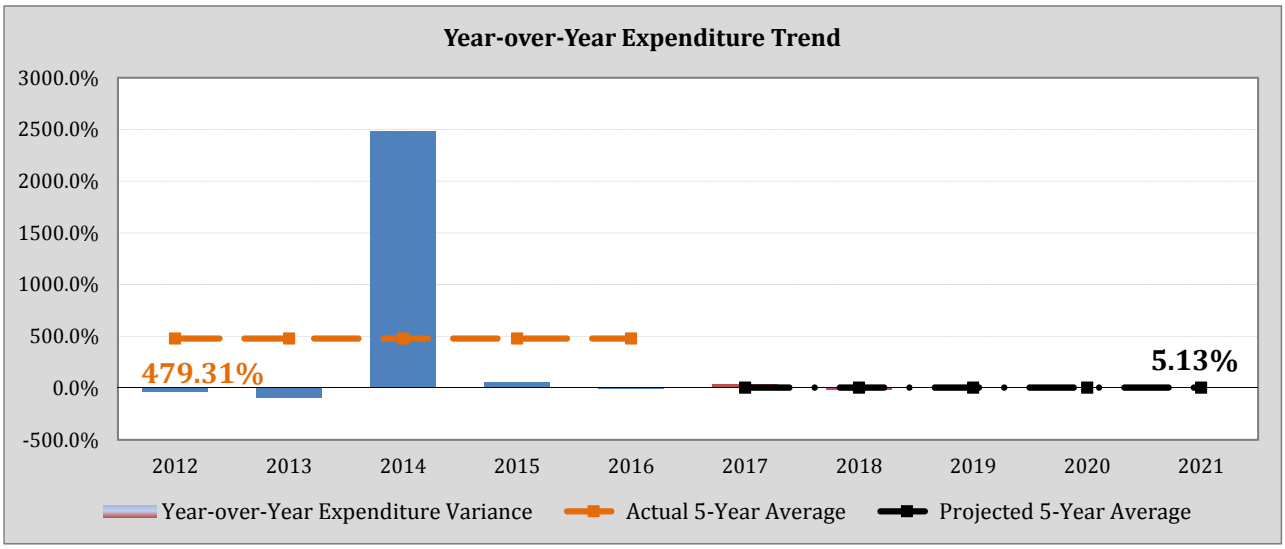
3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.





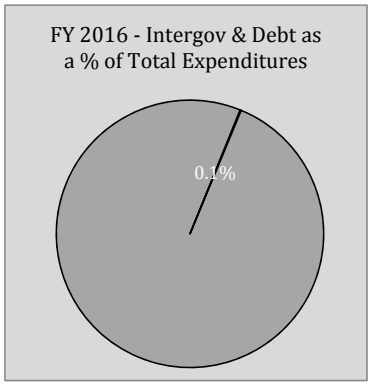
Capital outlay includes building equipment, technology equipment, musical instruments, and buses. The District has begun and plans to continue expanding a one to one technology initiative. In fiscal year 2016, 5th and 6th grades began the initiative. In fiscal year 2017, it was expanded to 4th and 7th grades. It will be expanded to include 9th to 12th grades in fiscal year 2018. The forecast includes the purchase of one school bus in each year for fiscal years 2018, 2019, 2020, and 2021.

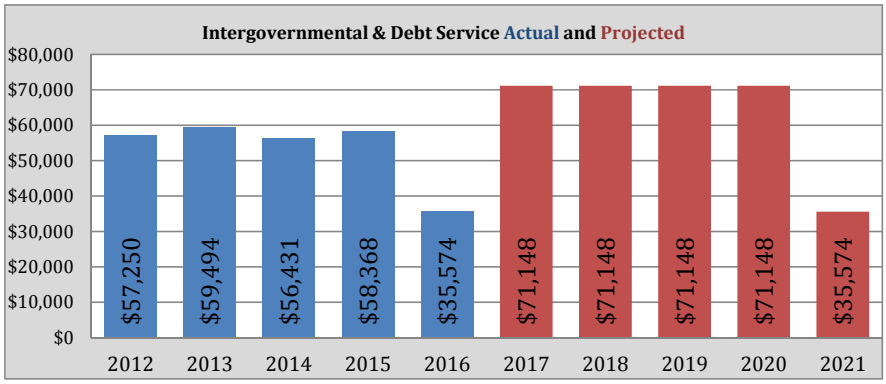


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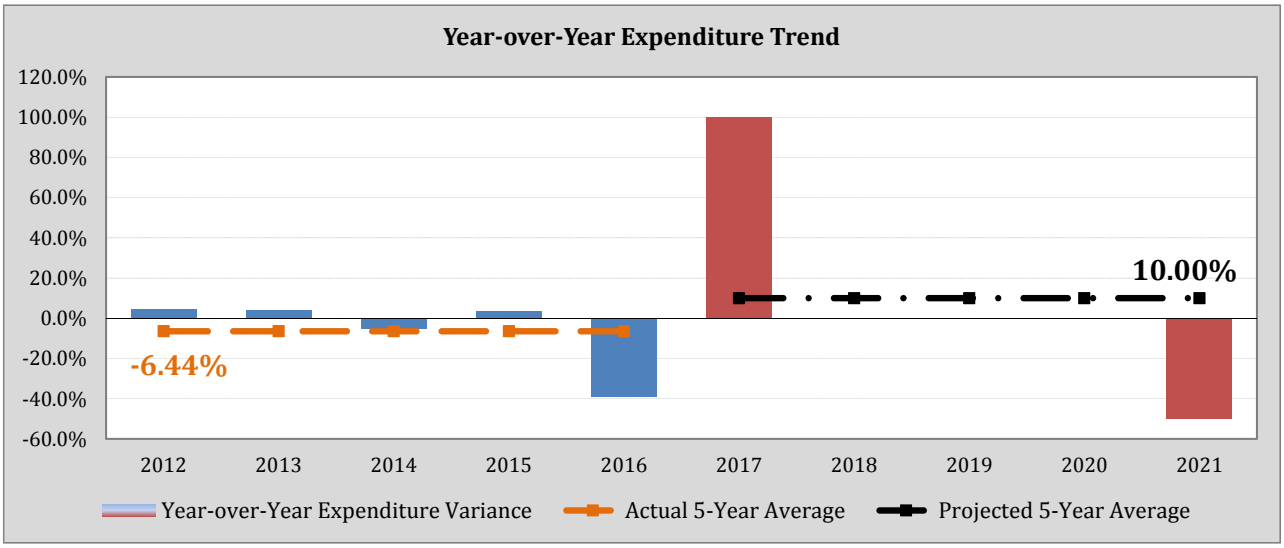
3.060-4.060 - Intergovernmental & Debt

These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.





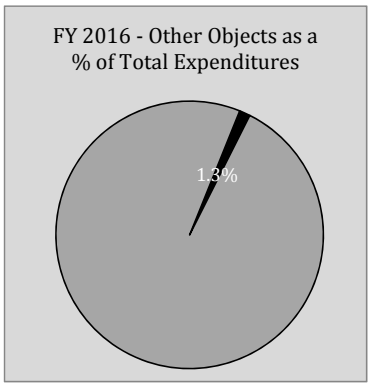
The District purchased four buses through a lease-purchase agreement in the summer of 2015. The amounts included as principal and interest correlate specifically to the payments required per that agreement.

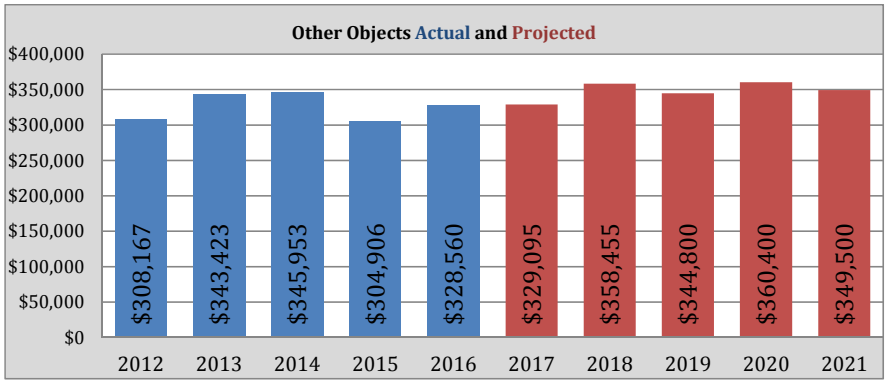


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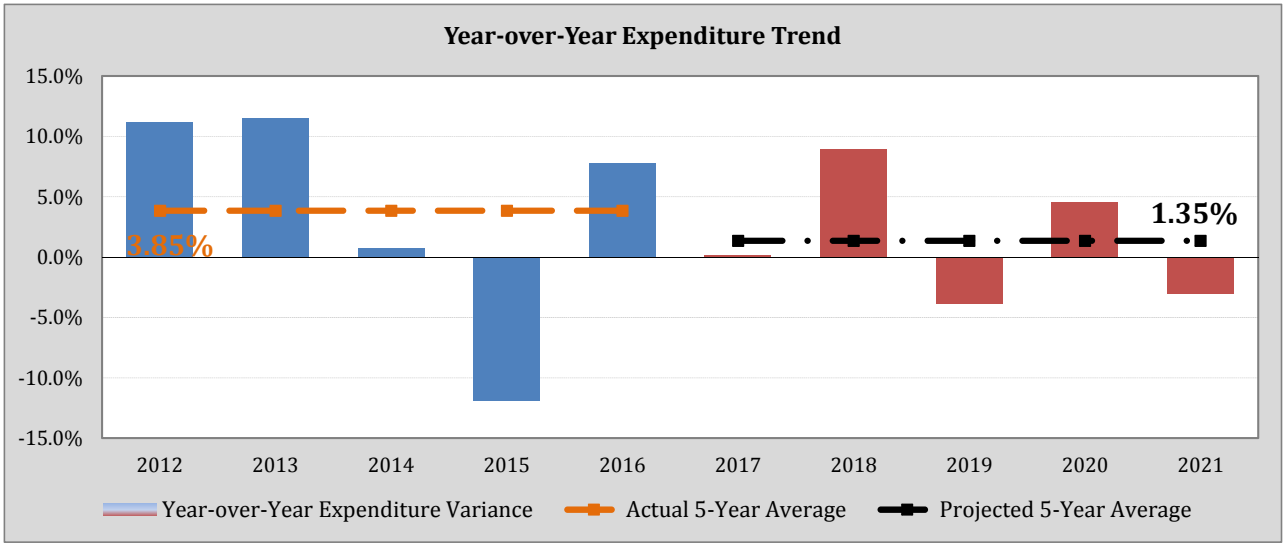
4.300 - Other Objects

Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.





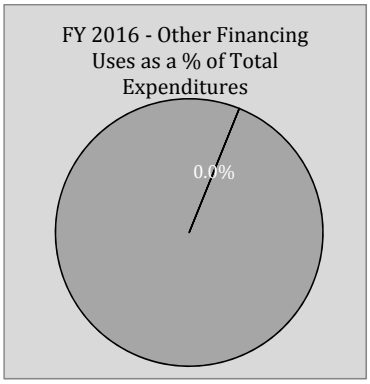
The Other Object expenditure category includes audit fees, liability insurance, ESC deductions, and County Auditor/Treasurer fees. These costs are forecasted to remain fairly consistent through the forecast period.

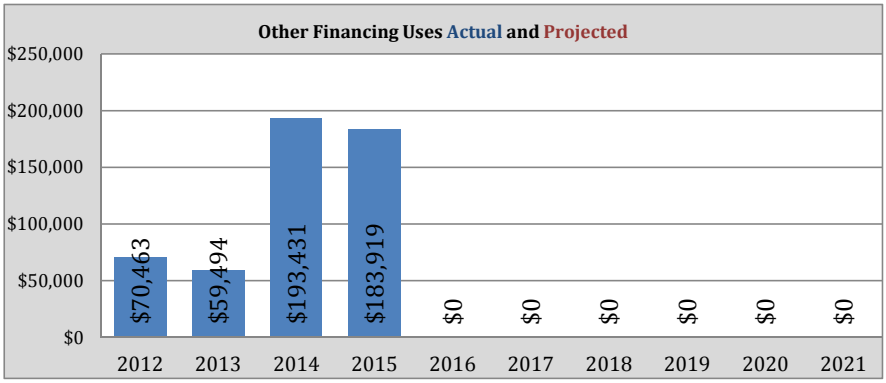


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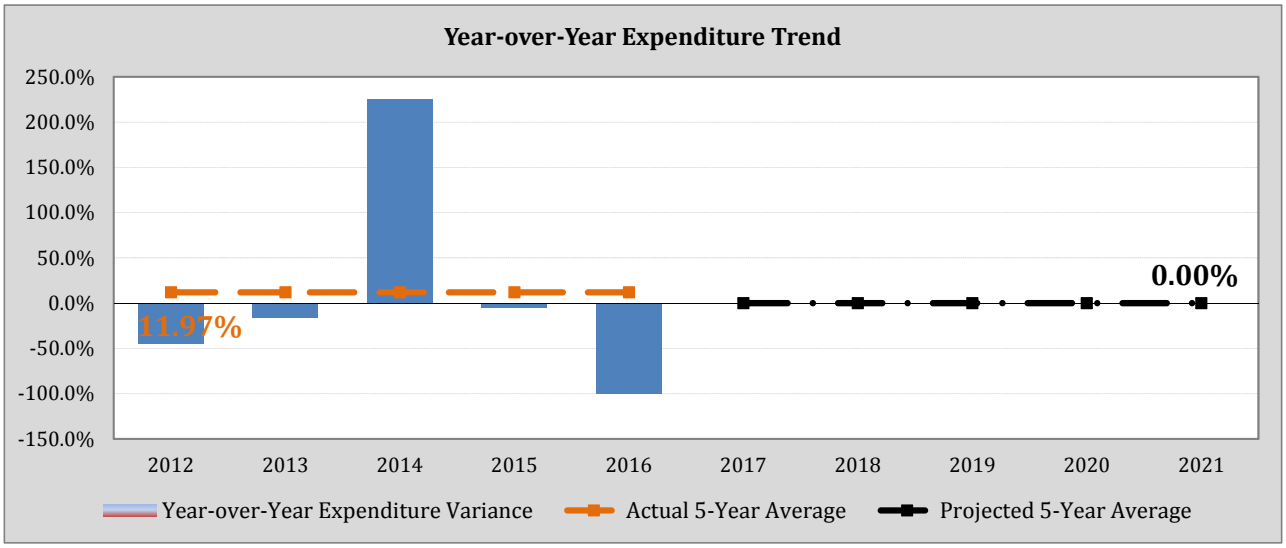
5.040 - Total Other Financing Uses

Operating transfers-out, advances out to other funds, and all other general fund financing uses.





N/A



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Forecast Compare

Comparison of Previous Forecast Amounts to Current Forecasted Numbers
F.Y. 2017

		Column A	Column B	Column C	Column D
		Previous Forecast Amounts For F.Y. 2017 Prepared on:	Current Forecast Amounts For F.Y. 2017 Prepared on:	Dollar Difference Between Previous and Current	Percent Difference Between Previous and Current
	Revenue:	10/24/2016	5/15/2017		
1	Real Estate & Property Allocation	$8,927,260	$8,929,001	$1,741	0.0%
2	Public Utility Personal Property	$699,940	$704,748	$4,808	0.7%
3	Income Tax	$0	$0	$0	n/a
4	State Foundation Restricted & Unrestricted	$14,498,947	$14,477,223	-$21,723	-0.1%
5	Other Revenue	$1,583,630	$1,750,669	$167,039	10.5%
6	Other Non Operating Revenue	$15,000	$68,540	$53,540	356.9%
7	Total Revenue	$25,724,777	$25,930,181	$205,405	0.8%
	Expenditures:				
8	Salaries	$14,721,895	$14,162,755	-$559,140	-3.8%
9	Fringe Benefits	$5,657,584	$5,292,900	-$364,684	-6.4%
10	Purchased Services	$3,309,725	$4,473,589	$1,163,864	35.2%
11	Supplies, Debt, Capital Outlay & Other	$1,380,786	$1,530,345	$149,559	10.8%
12	Other Non Operating Expenditures	$0	$0	$0	n/a
13	Total Expenditures	$25,069,991	$25,459,589	$389,599	1.6%
14	Revenue Over/(Under) Expenditures	$654,786	$470,592	-$184,194	-0.7%*
15	Ending Cash Balance	$4,999,427	$4,815,233	-$184,194	-0.7%*

*Percentage expressed in terms of total expenditures

The chart above compares the fiscal year 2017 projections between the October 2016 forecast and the current May 2017 forecast. Fiscal year 2017 total revenue estimates are very similar showing a variation of only 0.8%. The main difference is related to the other revenue due partially to a new, one-time refund to be received by the Ohio Bureau of Worker's Compensation which expected to be received by June 30, 2017. Although indvidual expenditure categories show significant variations from October 2016 to May 2017, total expenditure estimates for fiscal year 2017 show only a variation of 1.6% which demonstrates the shifting of expenditures between salaries/benefits and purchased services which is primarily a result of the teacher strike which occured in November 2016. Overall, this comparison shows that the overall net change equates to -0.7% when comparing the difference in forecasted ending cash balance with the total operating budget for the District's general fund.

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Louisville City School District - Stark County

Fiscal Year:	Actual 2016	FORECASTED 2017	2018	2019	2020	2021
Revenue:						
1.010 - General Property Tax (Real Estate)	7,547,602	7,699,681	7,727,995	7,018,591	6,289,601	6,313,358
1.020 - Public Utility Personal Property	633,218	704,748	713,781	684,515	655,975	662,535
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	14,378,114	14,244,563	14,172,259	14,172,475	14,172,582	14,172,644
1.040 - Restricted Grants-in-Aid	244,341	232,660	259,488	256,279	255,175	253,965
1.045 - Restricted Federal Grants - SFSF	-	-	-	-	-	-
1.050 - Property Tax Allocation	1,299,215	1,229,320	1,234,050	1,145,450	1,019,714	1,024,176
1.060 - All Other Operating Revenues	1,625,728	1,750,669	1,584,730	1,584,830	1,584,930	1,585,030
1.070 - Total Revenue	25,728,218	25,861,641	25,692,303	24,862,140	23,977,977	24,011,708
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	20,285	68,540	15,000	15,000	15,000	15,000
2.070 - Total Other Financing Sources	20,285	68,540	15,000	15,000	15,000	15,000
2.080 - Total Rev & Other Sources	25,748,503	25,930,181	25,707,303	24,877,140	23,992,977	24,026,708
Expenditures:						
3.010 - Personnel Services	14,827,882	14,162,755	15,110,299	15,504,493	15,879,366	16,246,087
3.020 - Employee Benefits	5,869,689	5,292,900	5,759,392	6,790,707	7,271,728	7,740,524
3.030 - Purchased Services	3,055,327	4,473,589	3,550,744	3,575,224	3,629,124	3,675,624
3.040 - Supplies and Materials	612,951	853,875	753,900	773,900	783,900	793,900
3.050 - Capital Outlay	205,647	276,227	235,000	240,000	245,000	250,000
3.060 - Intergovernmental	-	-	-	-	-	-
Debt Service:						
4.010 - Principal-All Years	30,542	-	-	-	-	-
4.020 - Principal - Notes	-	-	-	-	-	-
4.030 - Principal - State Loans	-	-	-	-	-	-
4.040 - Principal - State Advances	-	-	-	-	-	-
4.050 - Principal - HB264 Loan	-	-	-	-	-	-
4.055 - Principal - Other	-	62,498	64,434	66,430	68,488	35,035
4.060 - Interest and Fiscal Charges	5,032	8,650	6,714	4,718	2,660	539
4.300 - Other Objects	328,560	329,095	358,455	344,800	360,400	349,500
4.500 - Total Expenditures	24,935,630	25,459,589	25,838,938	27,300,272	28,240,666	29,091,209
Other Financing Uses						
5.010 - Operating Transfers-Out	-	-	-	-	-	-
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	-	-	-	-	-	-
5.050 - Total Exp and Other Financing Uses	24,935,630	25,459,589	25,838,938	27,300,272	28,240,666	29,091,209
6.010 - Excess of Rev Over/(Under) Exp	812,873	470,592	(131,635)	(2,423,132)	(4,247,689)	(5,064,501)
7.010 - Cash Balance July 1 (No Levies)	3,531,768	4,344,641	4,815,233	4,683,598	2,260,466	(1,987,223)
7.020 - Cash Balance June 30 (No Levies)	4,344,641	4,815,233	4,683,598	2,260,466	(1,987,223)	(7,051,724)
8.010 - Estimated Encumbrances June 30	429,897	-	-	-	-	-
9.080 - Reservations Subtotal	66,371	66,371	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	3,848,373	4,748,862	4,683,598	2,260,466	(1,987,223)	(7,051,724)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Income & Property Tax-Renewal		-	-	930,264	1,860,536	1,860,553
11.030 - Cumulative Balance of Levies	-	-	-	930,264	2,790,799	4,651,352
12.010 - Fund Bal June 30 for Cert of Obligations	3,848,373	4,748,862	4,683,598	3,190,730	803,577	(2,400,371)
Revenue from New Levies						
13.010 & 13.020 - Income & Property Tax-New		-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	3,848,373	4,748,862	4,683,598	3,190,730	803,577	(2,400,371)

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