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

OCTOBER 2016

		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%	$7,664,403	$7,709,591	$6,985,934	$6,250,724	$6,268,232
1.020	Tangible Personal Property Tax	561,978	569,013	633,218	6.3%	699,940	706,259	677,047	648,558	655,044
1.035	Unrestricted State Grants-in-Aid	14,029,823	14,162,557	14,378,114	1.2%	14,207,259	14,137,542	14,138,451	14,138,745	14,139,081
1.040	Restricted State Grants-in-Aid	239,554	321,905	244,341	5.1%	291,688	290,637	286,425	285,064	283,509
1.050	Property Tax Allocation	1,175,385	1,318,383	1,299,215	5.4%	1,262,857	1,277,109	1,150,993	1,022,447	1,025,663
1.060	All Other Revenues	1,604,976	1,700,977	1,625,728	0.8%	1,583,630	1,559,829	1,578,029	1,596,229	1,614,429
1.070	*Total Revenues*	24,239,638	25,414,479	25,728,218	3.0%	25,709,777	25,680,967	24,816,879	23,941,767	23,985,958
	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		15,000	15,000	15,000	15,000	15,000
2.070	*Total Other Financing Sources*	191,431	183,665	20,285	-46.5%	15,000	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%	25,724,777	25,695,967	24,831,879	23,956,767	24,000,958
	Expenditures									
3.010	Personal Services	14,243,685	14,513,154	14,827,882	2.0%	14,721,895	15,240,874	15,569,102	15,754,824	15,898,546
3.020	Employees' Retirement/Insurance Benefits	5,511,777	5,555,787	5,869,689	3.2%	5,657,584	7,113,306	7,605,651	8,134,732	8,661,733
3.030	Purchased Services	2,406,958	2,796,006	3,055,327	12.7%	3,309,725	3,333,600	3,440,100	3,546,100	3,660,100
3.040	Supplies and Materials	578,759	749,440	612,951	5.6%	749,339	626,300	642,800	657,300	670,800
3.050	Capital Outlay	137,777	215,329	205,647	25.9%	225,000	215,000	215,000	215,000	215,000
	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%	335,300	350,800	342,300	345,900	349,500
4.500	*Total Expenditures*	23,281,340	24,192,989	24,935,630	3.5%	25,069,991	26,951,028	27,886,101	28,725,004	29,491,253
	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%	25,069,991	26,951,028	27,886,101	28,725,004	29,491,253
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%	654,786	1,255,061-	3,054,222-	4,768,237-	5,490,295-
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	4,999,427	3,744,366	690,144	4,078,093-
7.020	*Cash Balance June 30*	2,310,532	3,531,768	4,344,641	37.9%	4,999,427	3,744,366	690,144	4,078,093-	9,568,388-
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%	4,933,056	3,744,366	690,144	4,078,093-	9,568,388-
	Revenue from Replacement/Renewal Levies									
11.020	Property Tax - Renewal or Replacement							930,461	1,860,930	1,860,948
11.300	Cumulative Balance of Replacement/Renewal Levies							930,461	2,791,391	4,652,339
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%	4,933,056	3,744,366	1,620,605	1,286,702-	4,916,049-
15.010	*Unreserved Fund Balance June 30*	1,725,789	2,977,019	3,848,373	50.9%	4,933,056	3,744,366	1,620,605	1,286,702-	4,916,049-
	ADM Forecasts									
20.010	Kindergarten - October Count	230	229	190	-8.7%	192	193	189	202	192
20.015	Grades 1-12 - October Count	2,880	2,829	2,727	-2.7%	2718	2678	2618	2585	2571

10.24.2016

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

October 2016

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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.

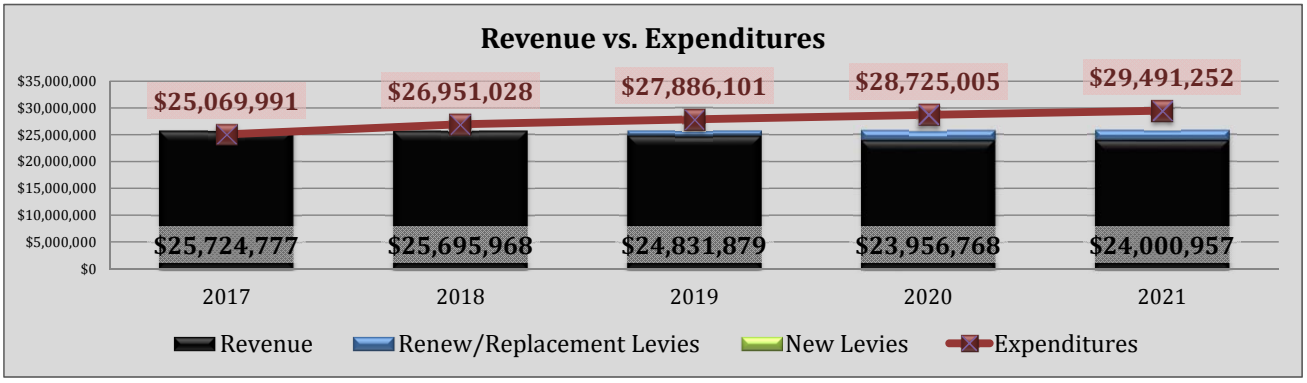
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Five Year Forecast - Simplified Statement

	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
Beginning Balance	4,344,641	4,999,427	3,744,366	1,620,605	(1,286,702)
+ Revenue	25,724,777	25,695,968	24,831,879	23,956,768	24,000,957
+ Proposed Renew/Replacement Levies	-	-	930,461	1,860,930	1,860,948
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(25,069,991)	(26,951,028)	(27,886,101)	(28,725,005)	(29,491,252)
= Revenue Surplus or Deficit	654,786	(1,255,061)	(2,123,761)	(2,907,307)	(3,629,347)
Ending Balance	4,999,427	3,744,366	1,620,605	(1,286,702)	(4,916,049)
Revenue Surplus or Deficit w/o Levies	654,786	(1,255,061)	(3,054,222)	(4,768,238)	(5,490,294)
Ending Balance w/o Levies	4,999,427	3,744,366	690,144	(4,078,093)	(9,568,388)

Summary:

The Five Year Forecast is first and foremost a planning document used by the Board of Education and District Administration. Based on the assumption 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 you can see, deficit spending is shown in fiscal years 2018, 2019, 2020, and 2021 with the tax proceeds associated with the renewal of the District's emergency operating levy included. 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 2020. To offset deficit spending, the District will need to either receive additional revenue or reduce expenditures.

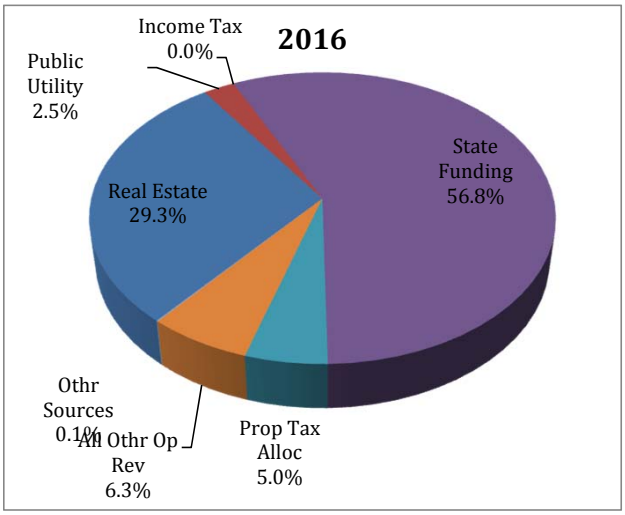


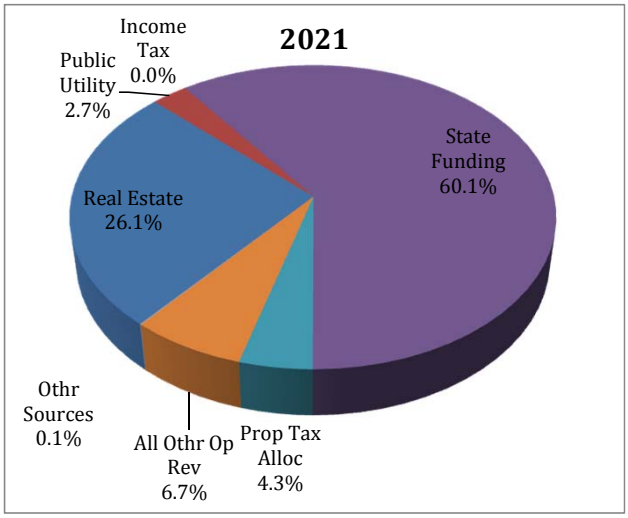
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Revenue Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	5-Year Avg. Annual Change
Revenue:							
1.010-Real Estate	5.17%	1.55%	0.59%	0.50%	0.35%	0.22%	0.64%
1.020-Public Utility	11.70%	10.54%	0.90%	0.85%	0.97%	0.95%	2.84%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	1.23%	-1.19%	-0.49%	0.01%	0.00%	0.00%	-0.33%
1.040-Restricted Aid	46.78%	19.38%	-0.36%	-1.45%	-0.48%	-0.55%	3.31%
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%	-2.80%	1.13%	0.55%	0.35%	0.25%	-0.10%
1.060-All Other Operating	13.57%	-2.59%	-1.50%	1.17%	1.15%	1.14%	-0.13%
1.070-Total Revenue	1.87%	-0.07%	-0.11%	0.26%	0.22%	0.17%	0.09%
2.070-Total Other Sources	13.33%	-26.05%	0.00%	0.00%	0.00%	0.00%	-5.21%
2.080-Total Rev & Other Srcs	1.84%	-0.09%	-0.11%	0.26%	0.21%	0.17%	0.09%

In total, revenues are projected to decrease by $23,726, or -0.09 percent, in fiscal year 2017. This is largely due to the anticipated decrease in the District's unrestricted state foundation funding. Real estate tax revenues are projected to increase by $116,801, or 1.55 percent from fiscal year 2016 to 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.

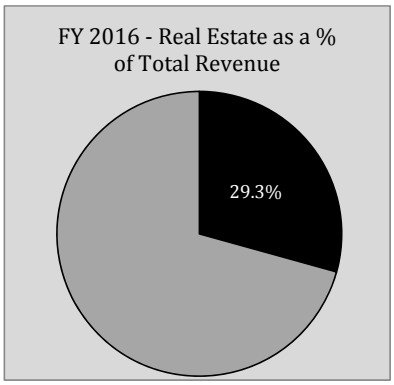


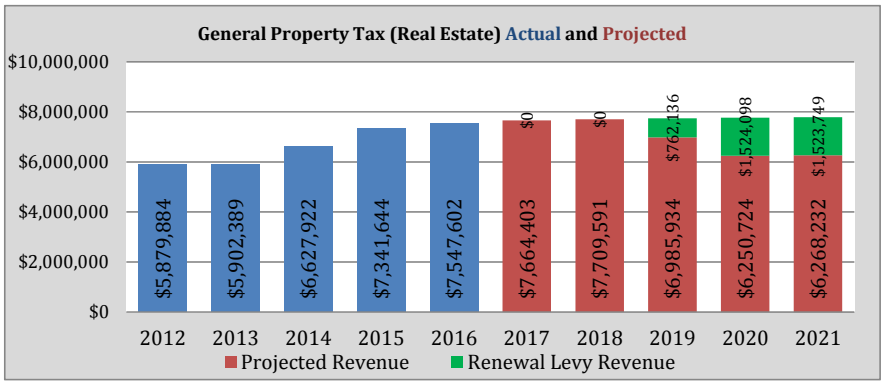


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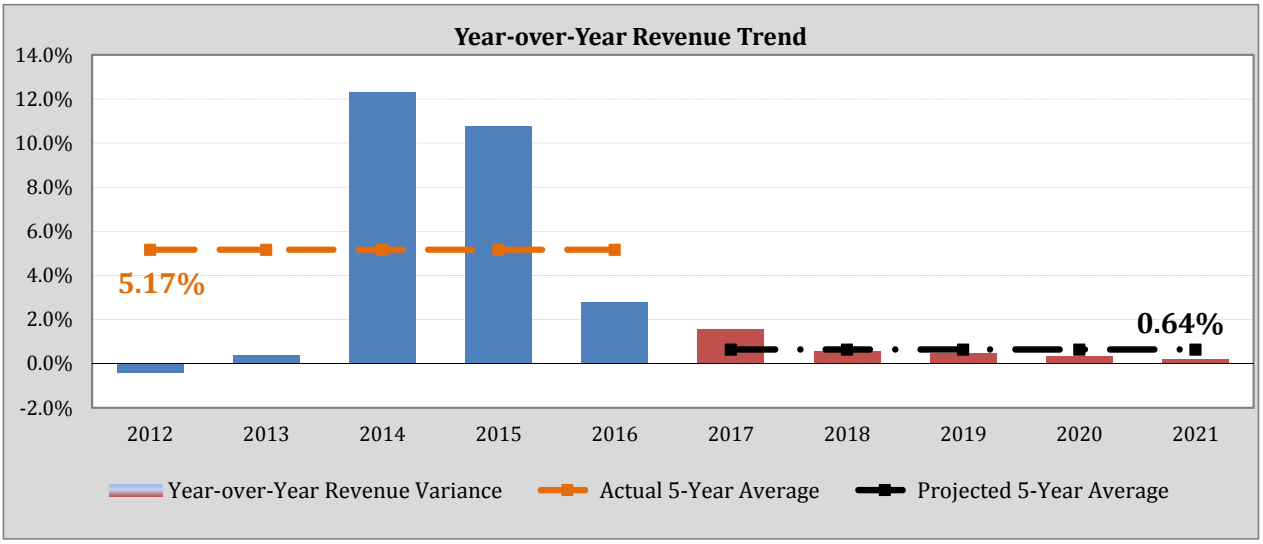
1.010 - General Property Tax (Real Estate)

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 finally began to realize the full effect of the new emergency levy passed in May, 2013. The District began collecting the new tax in the second half of fiscal year 2014 and will receive a full year's worth of revenue for 2015, 2016, 2017 and 2018. In 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 has realized an increase to $358 million which is only slightly greater than the pre-recession values in 2006. Past 2016, assessed valuation increases are projected at an average of 0.26% each year except in tax year 2018, which is projecting an increase of 0.43% due to the next reappraisal. The District's two tax abatements will both expire during this five year forecast.

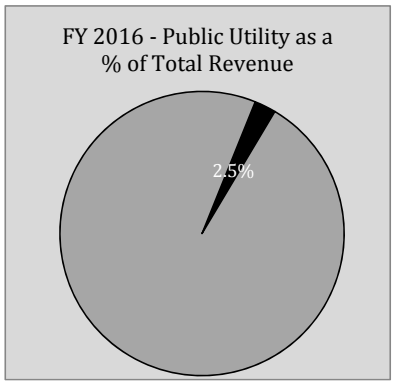


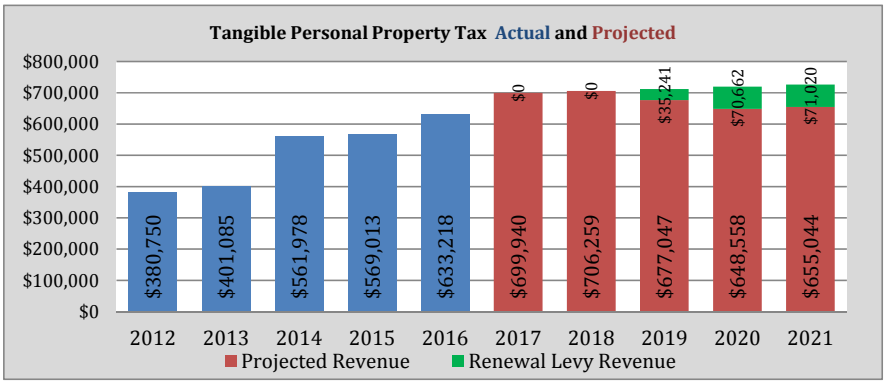
**Projected % trends include renewal levies*

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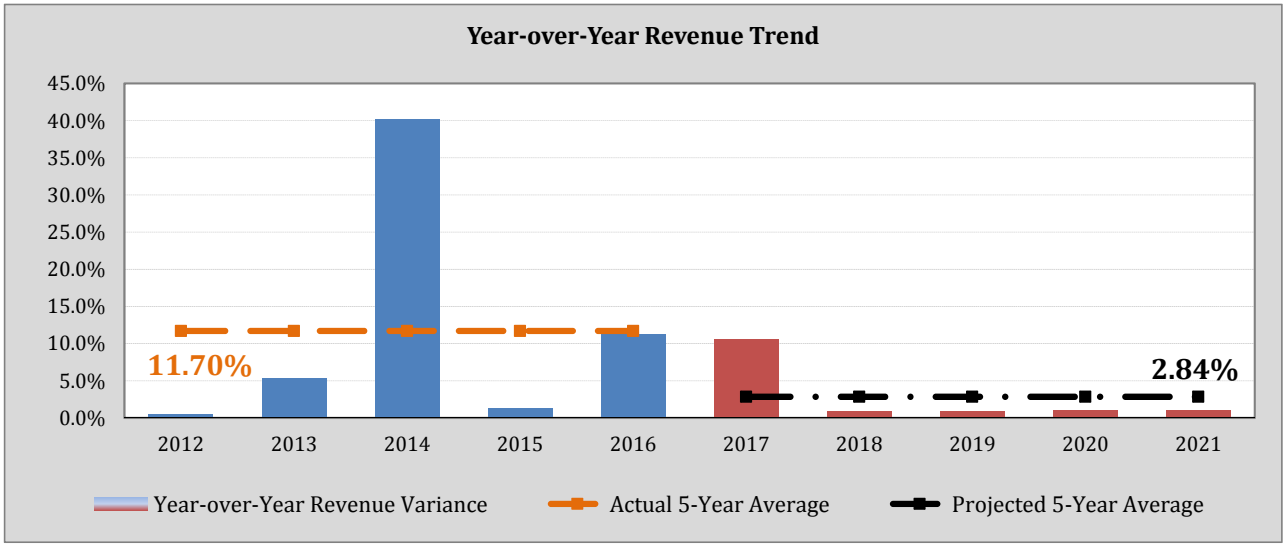
1.020 - Public Utility Personal Property

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% 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 infrastructures. 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 one percent for each of the forecast years.

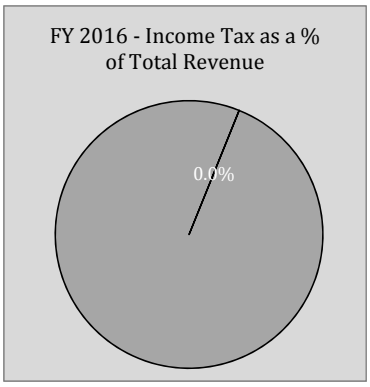


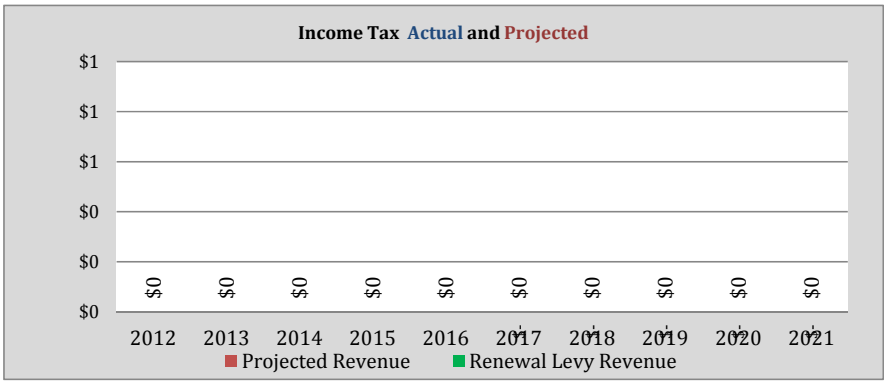
**Projected % trends include renewal levies*

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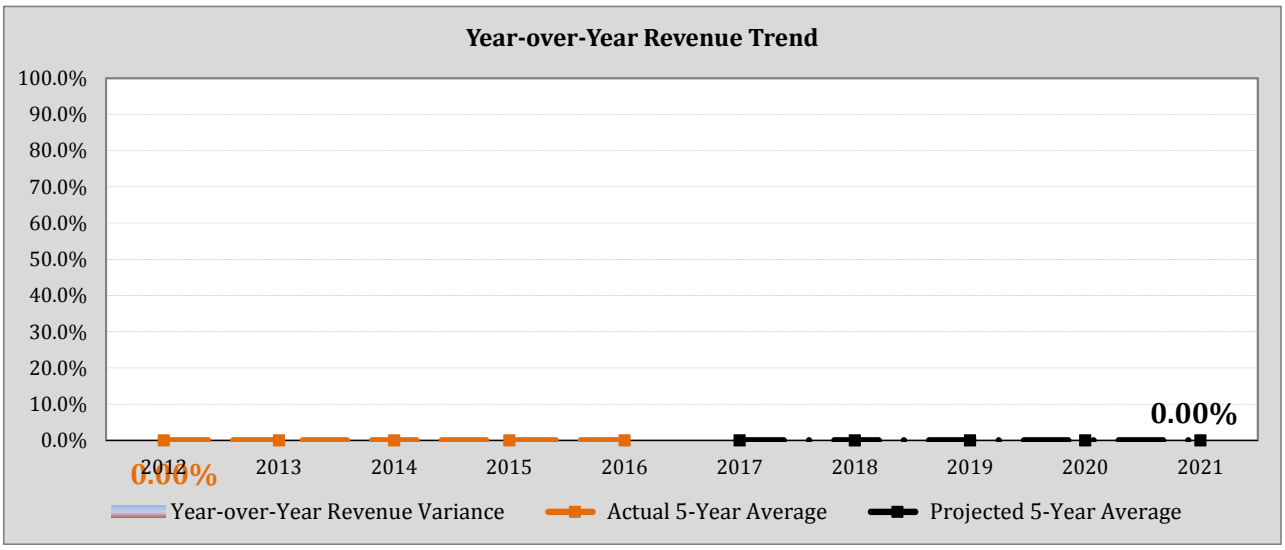
1.030 - Income Tax

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

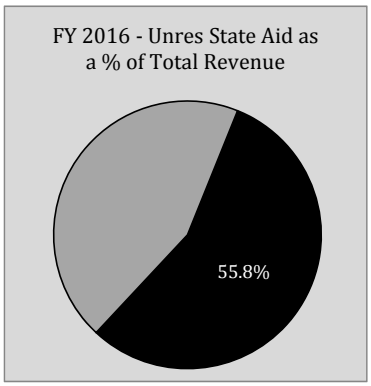


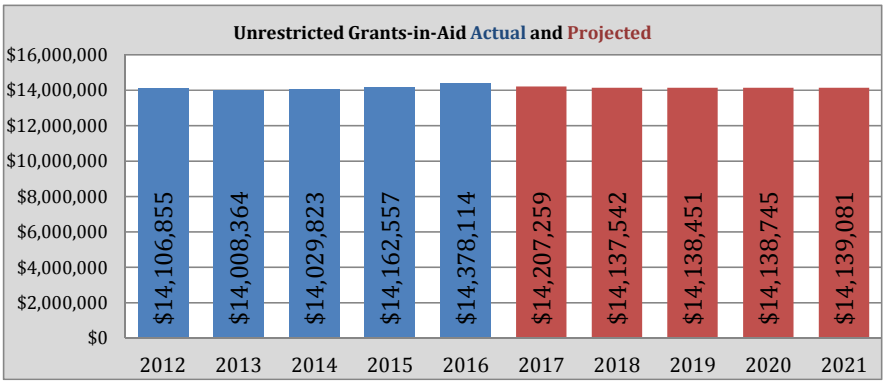
**Projected % trends include renewal levies*

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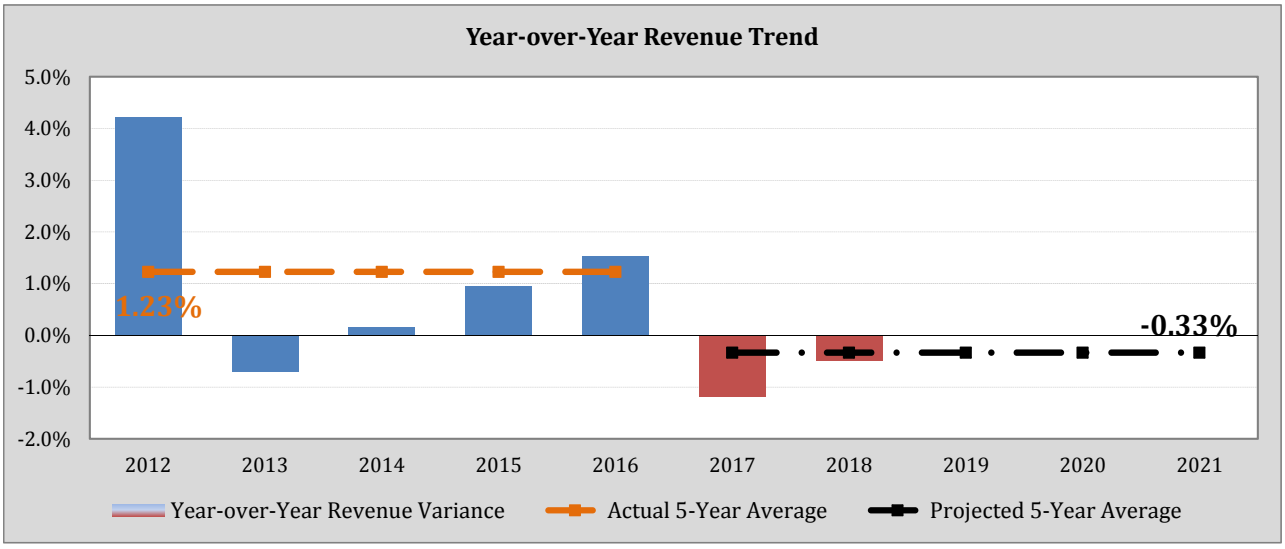
1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.





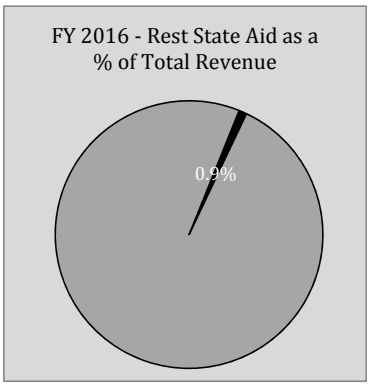
Unrestricted Grants in Aid is the District's largest revenue source and is determined by the current state funding formula for schools in Ohio. In July, 2015, the State Legislature approved the new biennium budget which kept the same funding formula introduced in the previous biennium with only minor 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 has been 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. The District has seen its enrollment drop from a high of 3,315 in 2007 to only 2,917 as of the end of 2015-16 school year. Meanwhile, open enrollment has gone from 0 in 2007 to approximately 169 this year. 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 33 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. Barring any changes to the current formula structure, the District would receive transitional aide to keep the revenue stream at the calculated/guaranteed funding floor. In addition to state foundation revenue, casino tax revenue is also included on this revenue line item which accounted for $152,742 in fiscal year 2016.

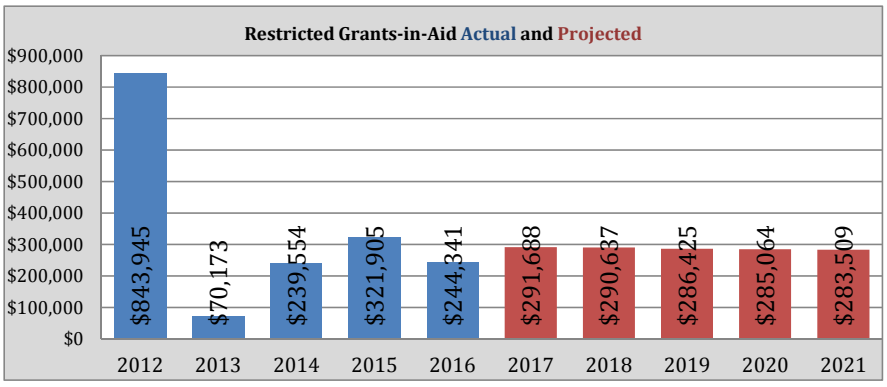


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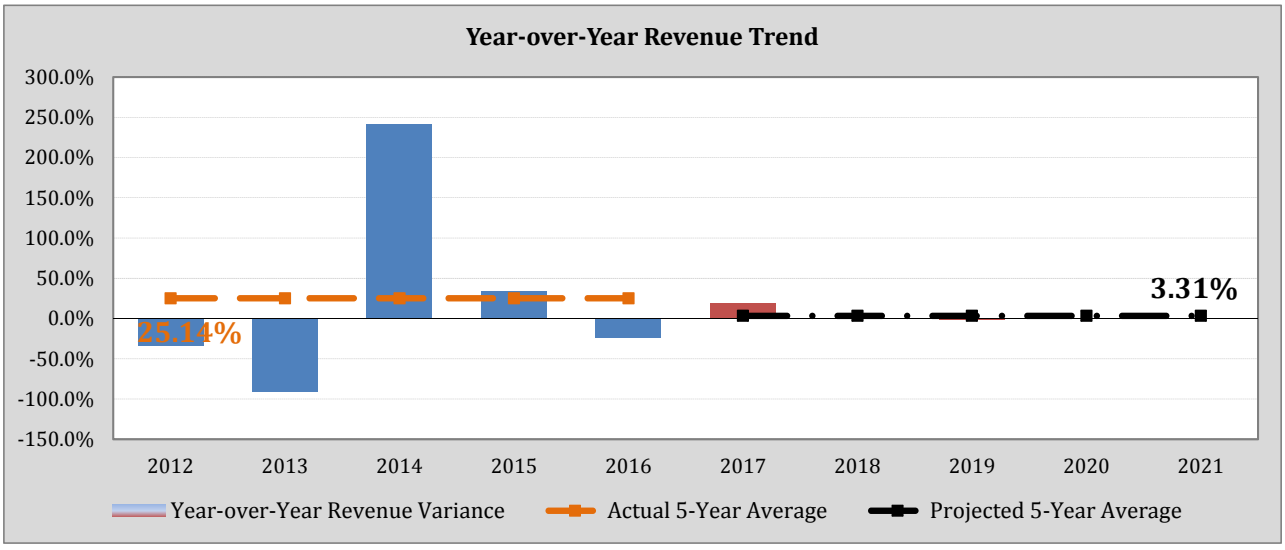
1.040 & 1.045 - Restricted Grants-in-Aid

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





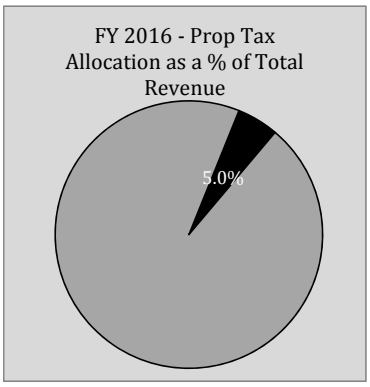
Formerly, this line item, 1.040, was only used to record the state funding for Career and Technical Education and Catastrophic Aide. However, under the new funding model, the state is directing a portion of state aid to provide economic disadvantage funding. The proceeds for that funding are now also 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 $75,000 in Career and Technical Education Funding and $181,688 in economically disadvantaged funding. This would represent a combined increase of 21% for these two areas in fiscal year 2017. This increase is based on the 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.

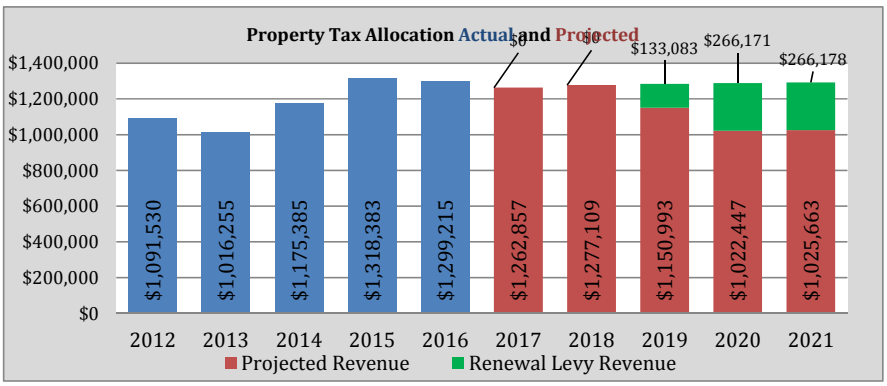


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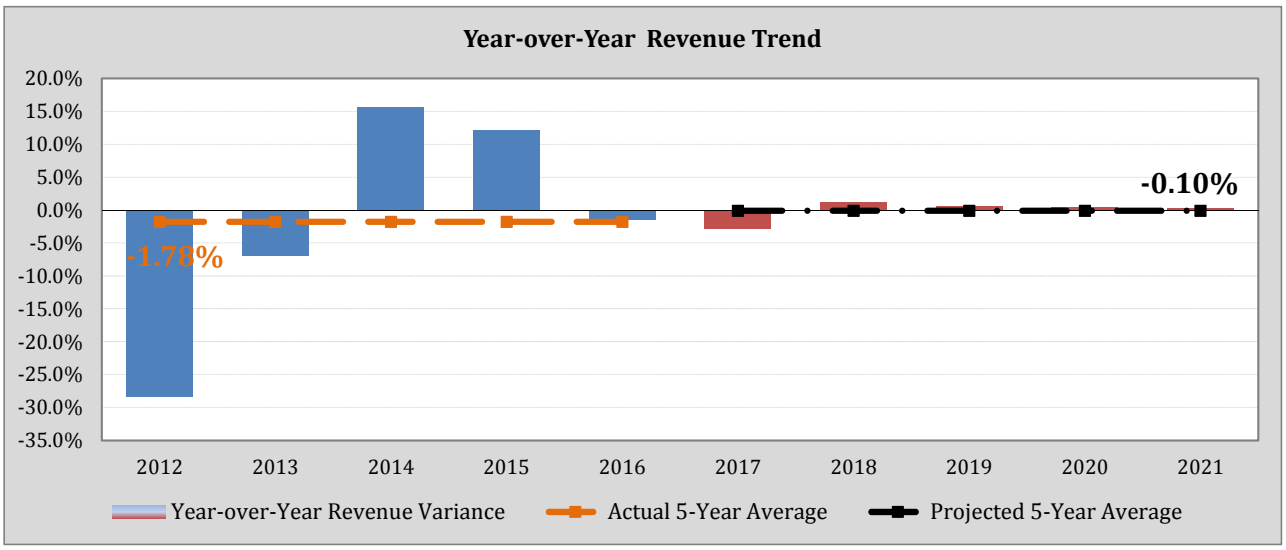
1.050 - Property Tax Allocation

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.

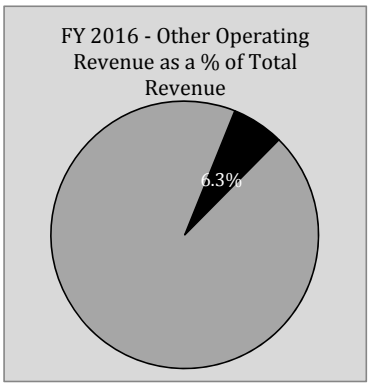


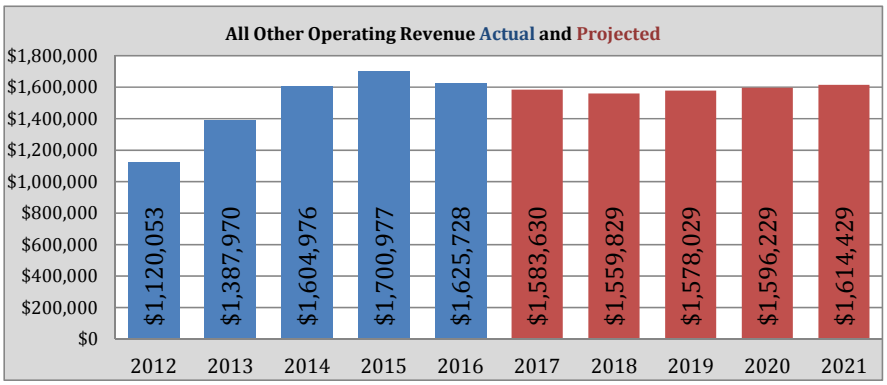
**Projected % trends include renewal levies*

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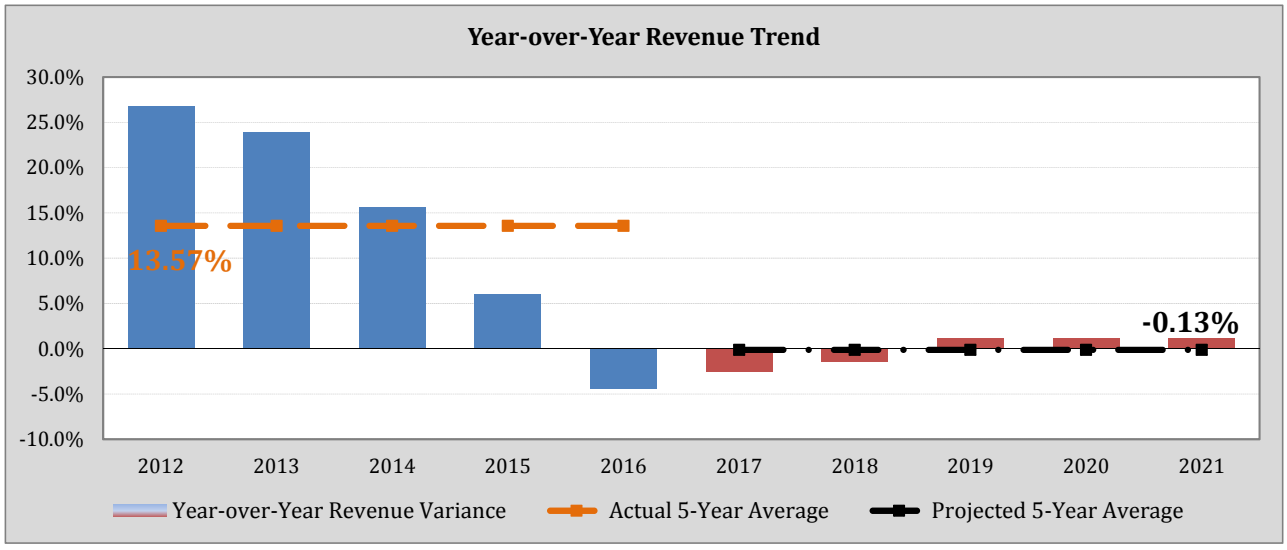
1.060 - All Other Operating Revenues

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





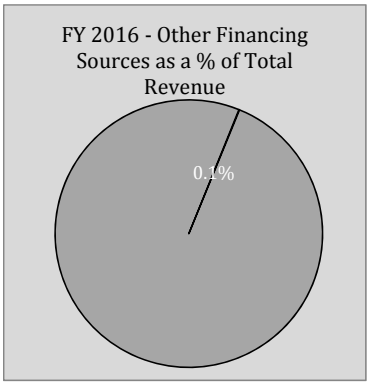
The largest revenue item classified here is funding for open enrollment students. In fiscal year 2016, the District received $944,712 for open enrollment. That figure is anticipated to be approximately $960,000 in 2017 for an estimated 163 open enrolled students. The forecast is assuming that level of 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) 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 $85,000 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 range from $98,000 to $106,000 over the forecast period for Medicaid reimbursements.

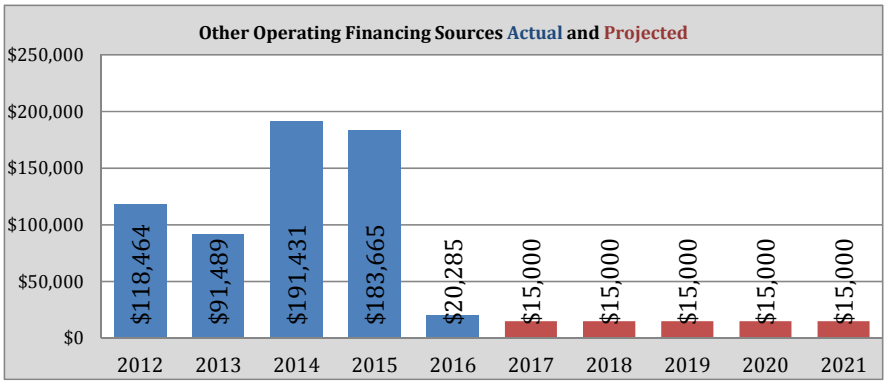


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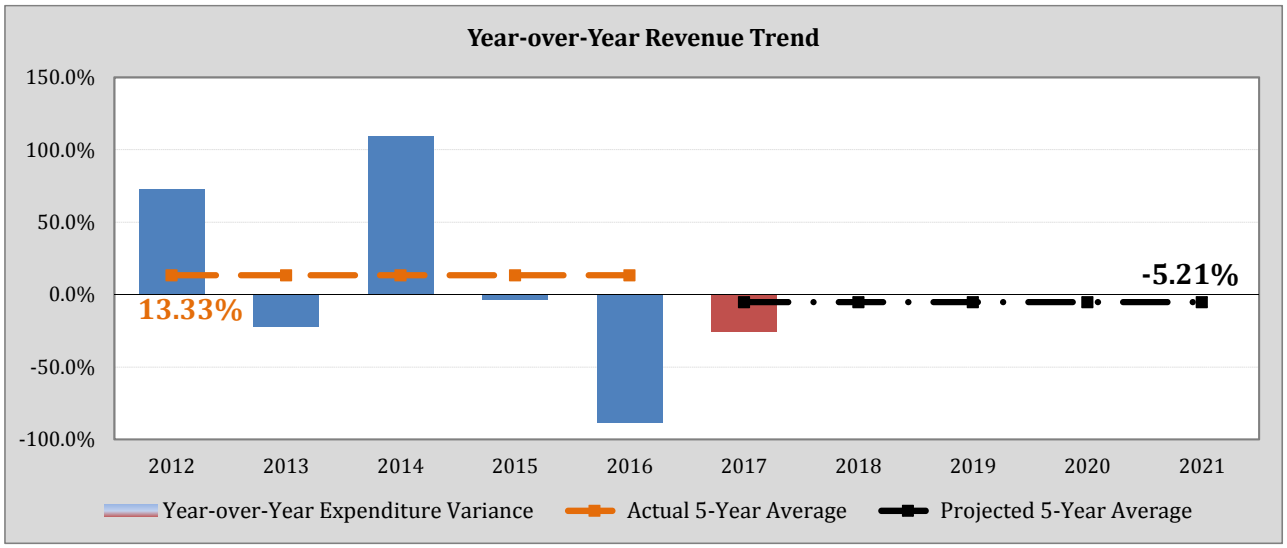
2.070 - Total Other Financing Sources

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 2017 and beyond for various refunds to be received by the District.

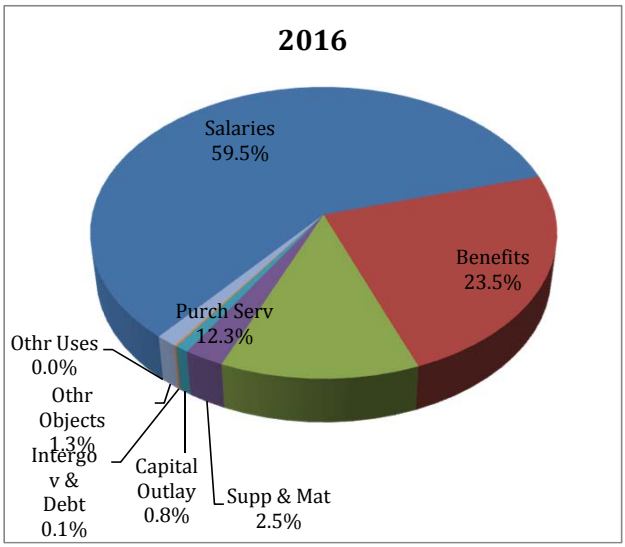


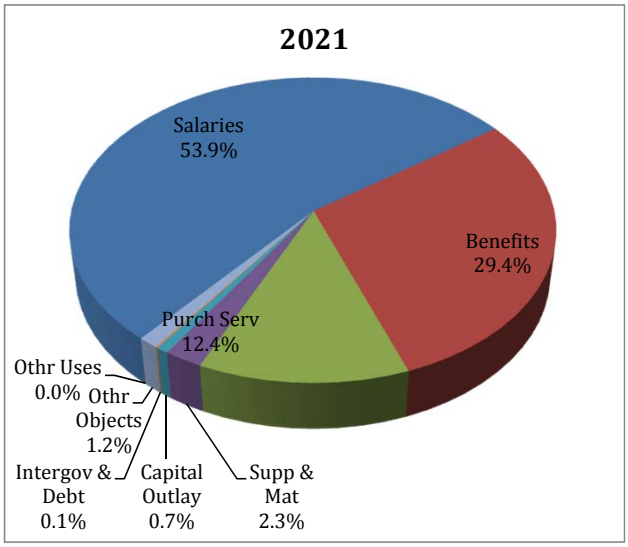
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Expenditures Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	5-Year Avg. Annual Change
Expenditures:							
3.010-Salaries	-0.33%	-0.71%	3.53%	2.15%	1.19%	0.91%	1.41%
3.020-Benefits	-0.46%	-3.61%	25.73%	6.92%	6.96%	6.48%	8.49%
3.030-Purchased Services	6.60%	8.33%	0.72%	3.19%	3.08%	3.21%	3.71%
3.040-Supplies & Materials	-2.35%	22.25%	-16.42%	2.63%	2.26%	2.05%	2.56%
3.050-Capital Outlay	479.31%	9.41%	-4.44%	0.00%	0.00%	0.00%	0.99%
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%	2.05%	4.62%	-2.42%	1.05%	1.04%	1.27%
4.500-Total Expenditures	0.31%	0.54%	7.50%	3.47%	3.01%	2.67%	3.44%
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%	0.54%	7.50%	3.47%	3.01%	2.67%	3.44%

In total, expenditures are projected to increase by $134,361, or 0.54%, 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.

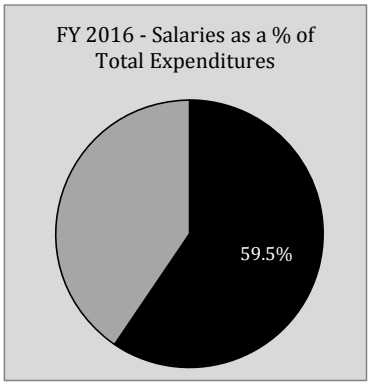


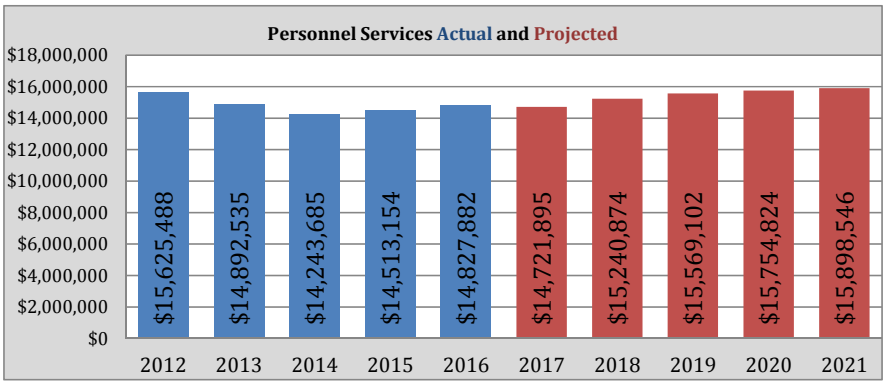


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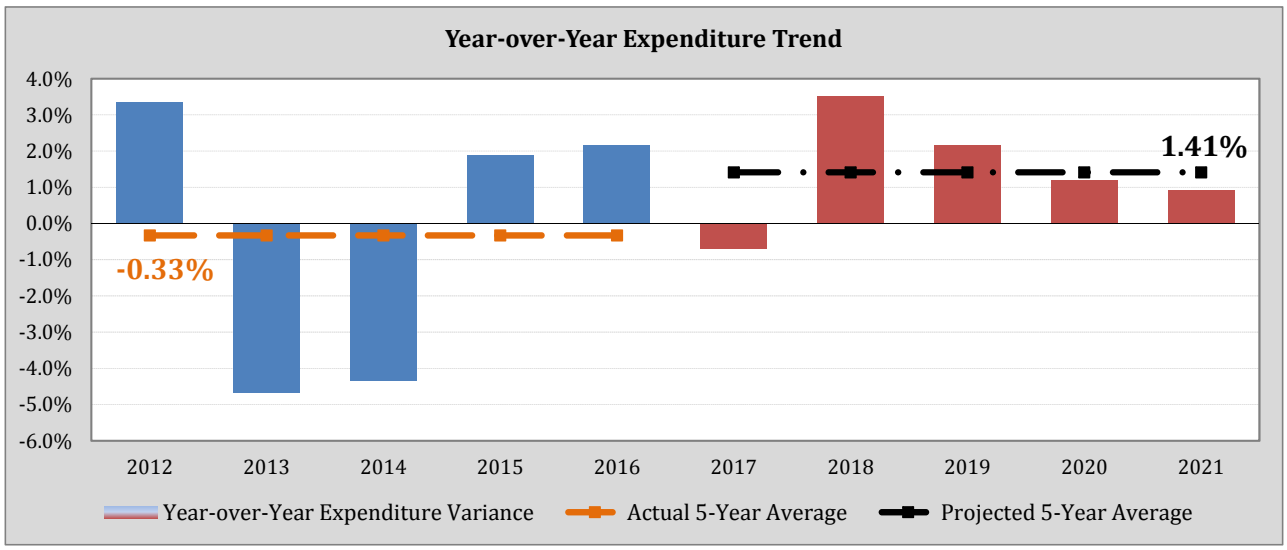
3.010 - Personnel Services

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





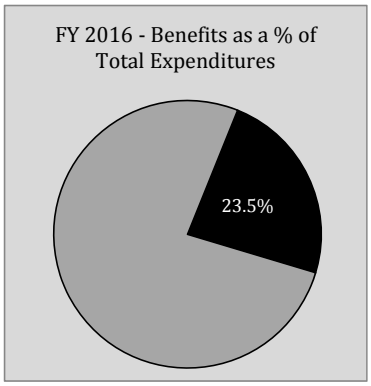
Personnel Service expenditures include employee salaries and stipends. Since the District is primarily a service agency, this is the largest expenditure category. The chart above shows a decline in both fiscal year 2013 and also fiscal year 2014. These decreases are result of reduced staffing levels. Fiscal year 2017 is once again showing a reduction due to a net reduction of 4 certified positions. The District is currently seeking to settle contracts with both bargaining units which expired June 30, 2016 which would cover the first 3 years of the forecast. Negotiations with the Louisville Education Association has included a fact-finding process. On October 17, 2016, the draft report was received by the Board team. It is the Board's interpretation that the report called for the following percentage increases which are included in the forecasted salary expenditures, for fiscal year 2017, 1% beginning 1/1/2017; for fiscal year 2018, 1.5%; and for fiscal year 2019, 1.5%. Step increases are included for all five of the forecasted years. No percentage increase is forecasted for fiscal years 2020 and 2021. It is important to note that personnel service expenditures are forecasted assuming that the current staffing levels will be maintained throughout the forecast period.

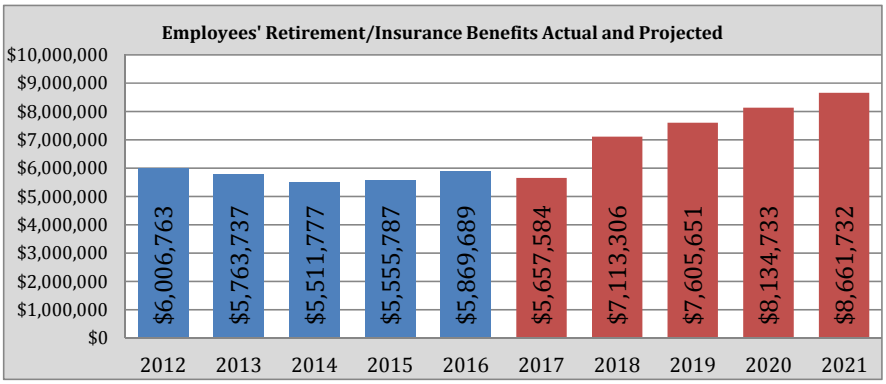


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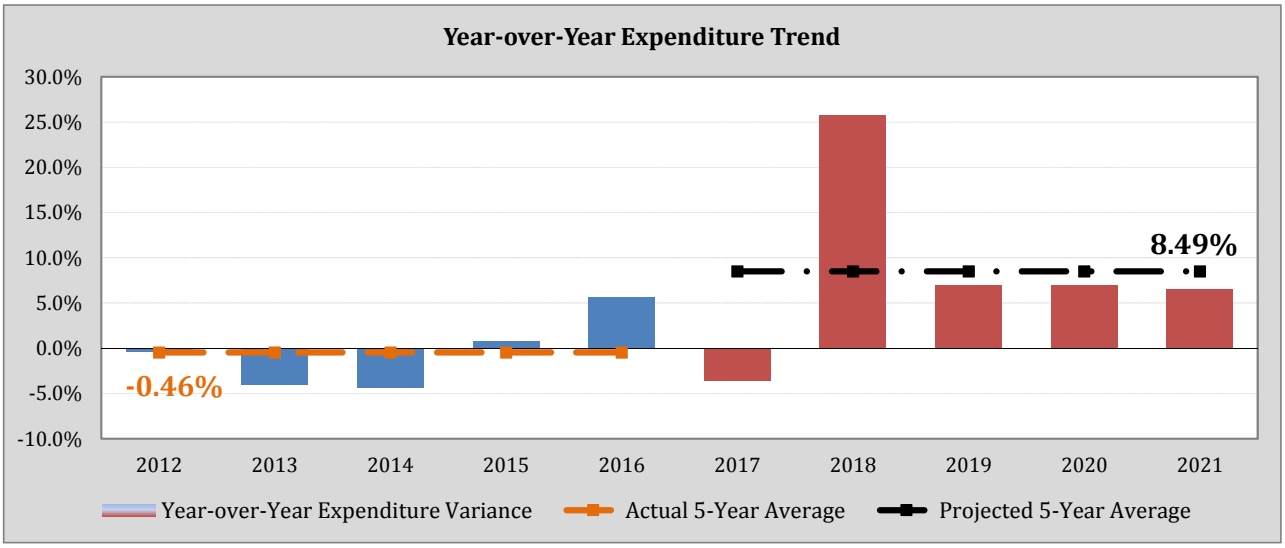
3.020 - Employees' Benefits

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





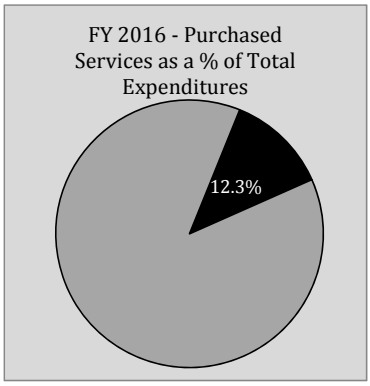
The District's second highest expenditure is Employees' Retirement/Insurance Benefits which includes the Board-paid pension benefits, medicare, worker's compensation, as well as the Board-paid share of Medical, Prescription, Dental and Vision insurance. Pension, medicare, and workers' compensation are 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 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 warranted the awarding of 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 $1,095,000 ($365,000 per month) and are included in the forecasted expenditure for fiscal year 2017. 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.

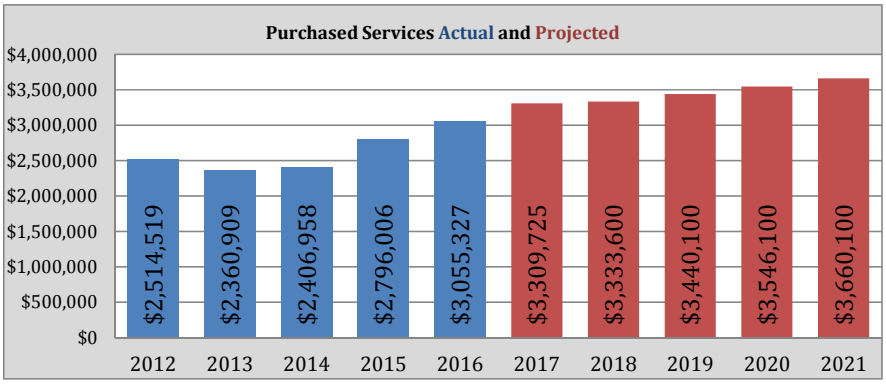


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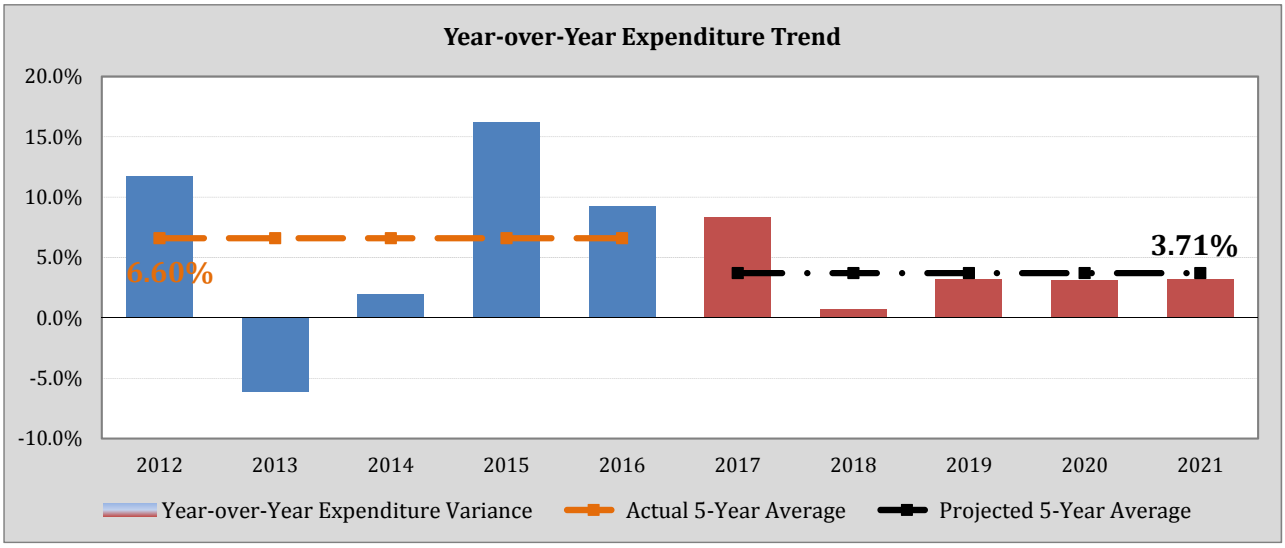
3.030 - Purchased Services

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.





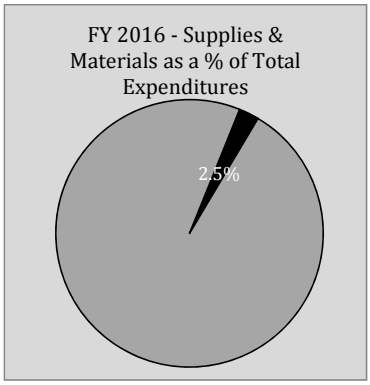
Purchased Services include utilities, tuition, property insurance, health services, repair services, and other contracted services. In addition to these, the State deductions for Community Schools and Open Enrolled Out students are included here. Although the District realized an increase in the cost of electricity in fiscal year 2016, a greater savings in natural gas was realized by renegotiating the contracted rate to take advantage of the favorable market. The District is currently looking to rebid electric service throught the Stark County Coucil of Governments in attempt to lock in a better rate moving forward. 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 $130,000 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. These costs are forecasted and included on this line item as well.

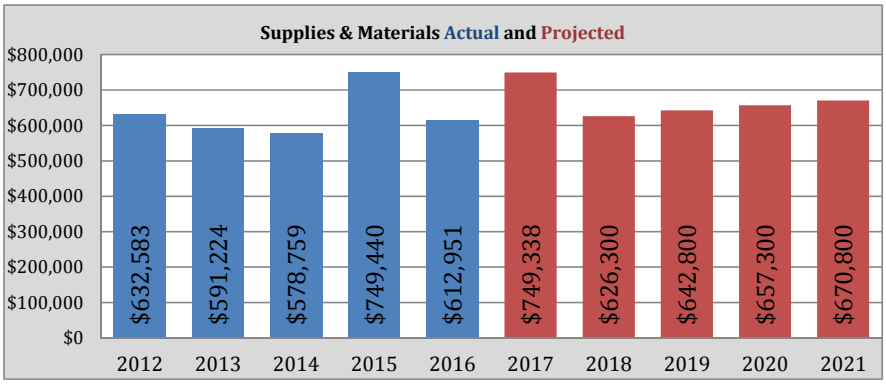


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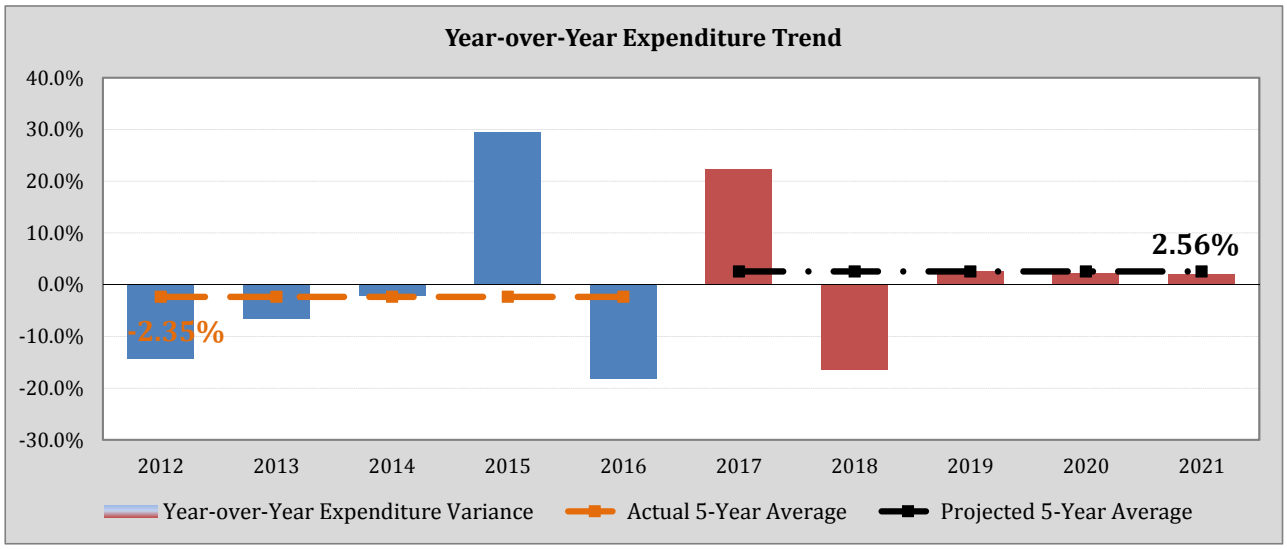
3.040 - Supplies & Materials

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





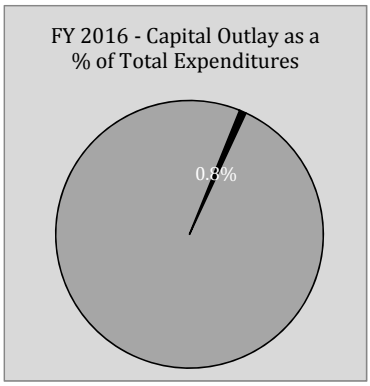
Supplies and Materials include not only instructional supplies, textbooks, and office supplies but also custodial supplies, transportation supplies, and bus fuel. Beginning in fiscal year 2015, the District made a conscious effort to fund some much needed curriculum/textbook updates. As such, $91,609 was spent in fiscal year 2015, and $80,242 was spent in fiscal year 2016. The District is budgeting approximately $80,000 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.

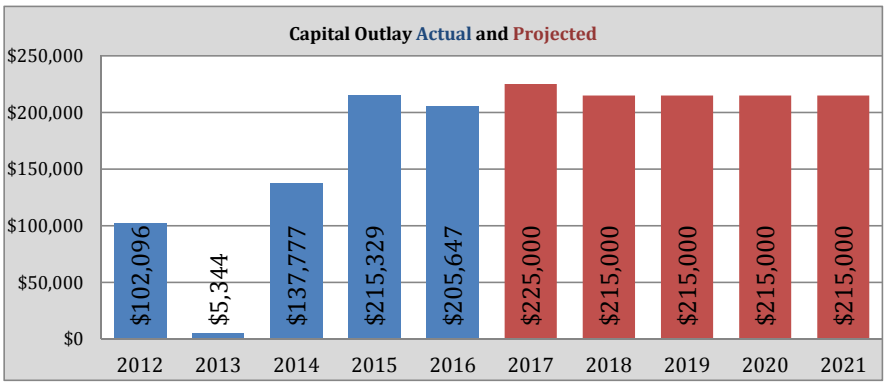


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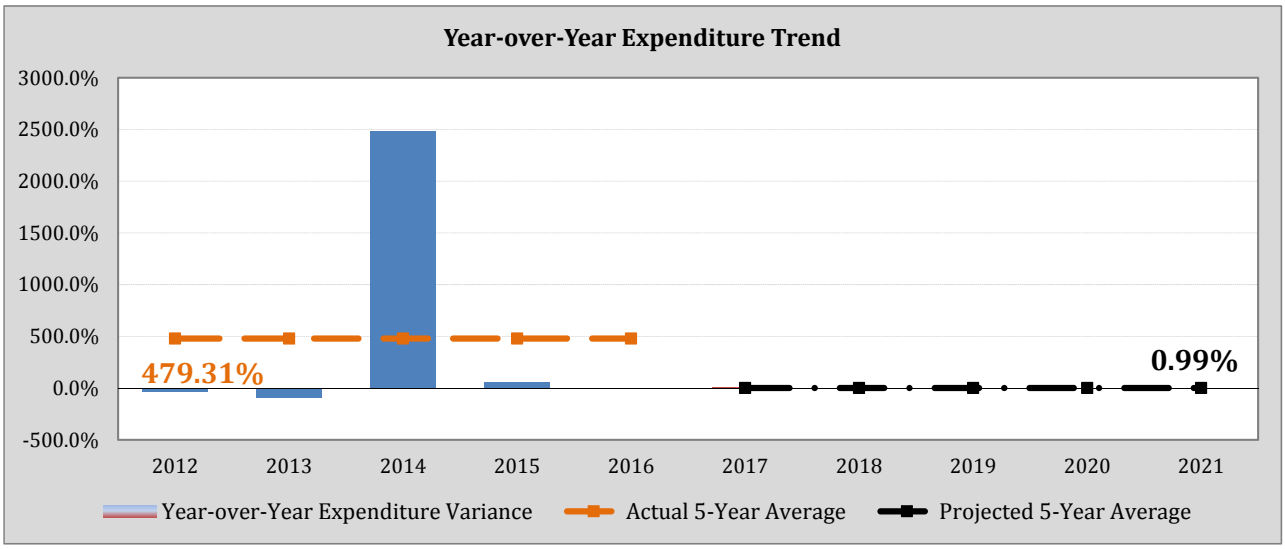
3.050 - Capital Outlay

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.





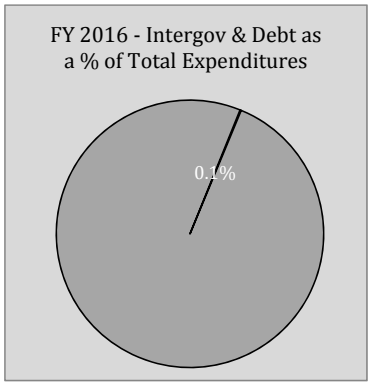
Capital outlay includes building equipment, technology equipment, musical instruments, and buses. The District has begun and plans to continue expanding a one to one technology initiative. In fiscal year 2016, 5th and 6th grades began the initiative. In fiscal year 2017, it was expanded to 4th and and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

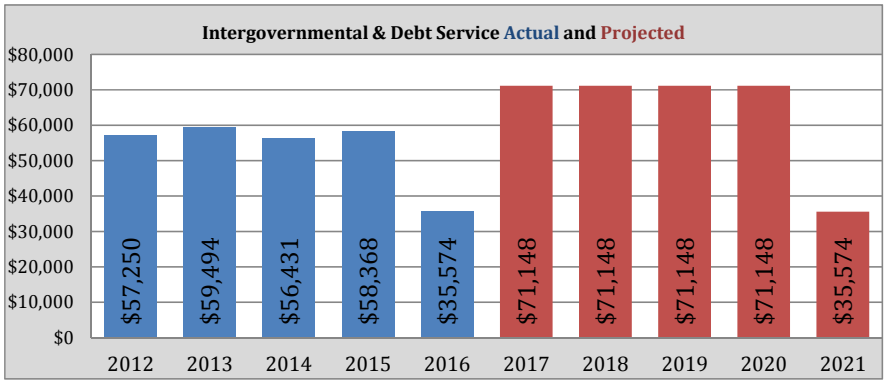


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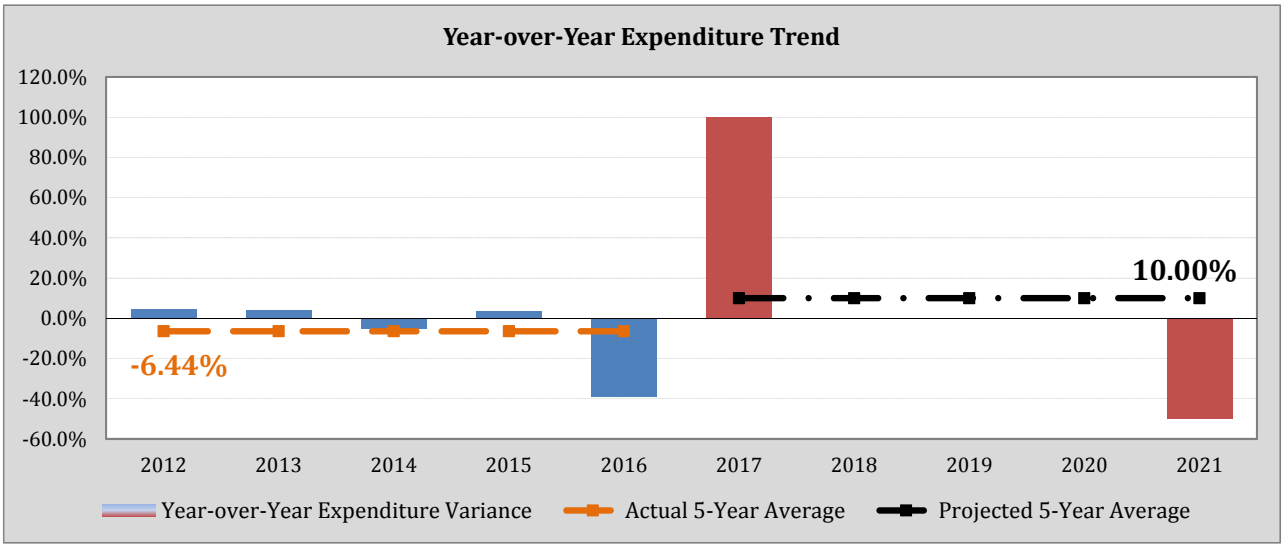
3.060-4.060 - Intergovernmental & Debt

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.





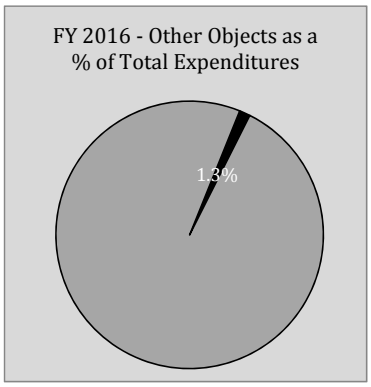
The District purchased four buses through a lease-purchase agreement in the summer of 2015. The amounts included as principal and interest correlate specifically to the payments required per that agreement.

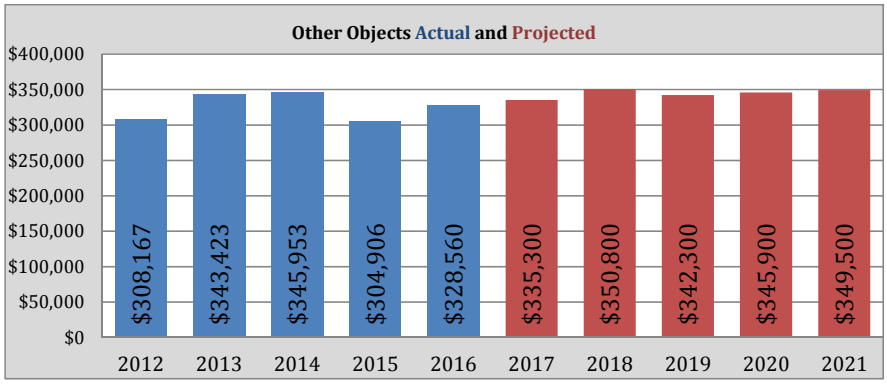


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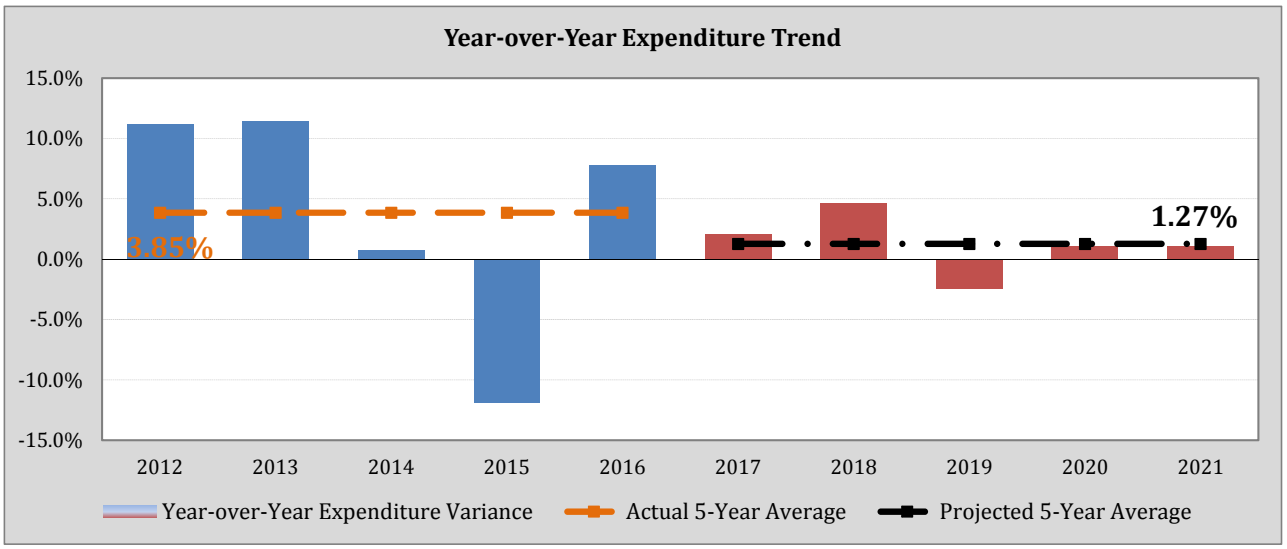
4.300 - Other Objects

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





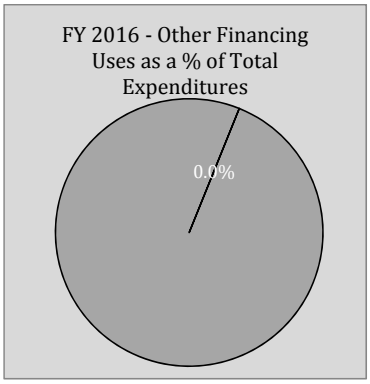
The Other Object expenditure category includes audit fees, liability insurance, ESC deductions, and County Auditor/Treasurer fees. These costs are forecasted to remain fairly consistent through the forecast period.

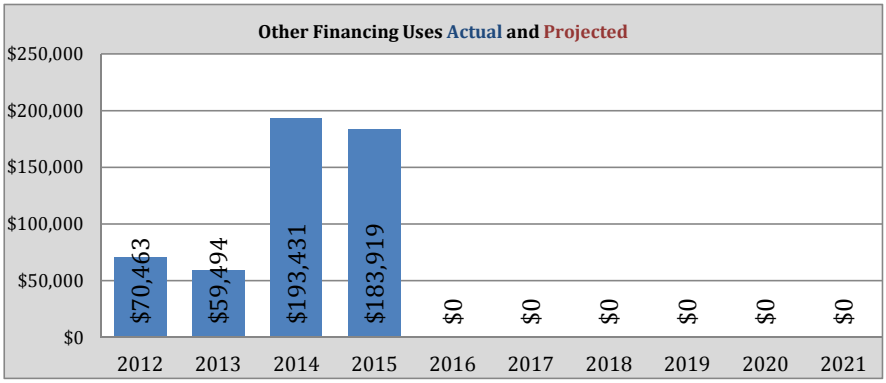


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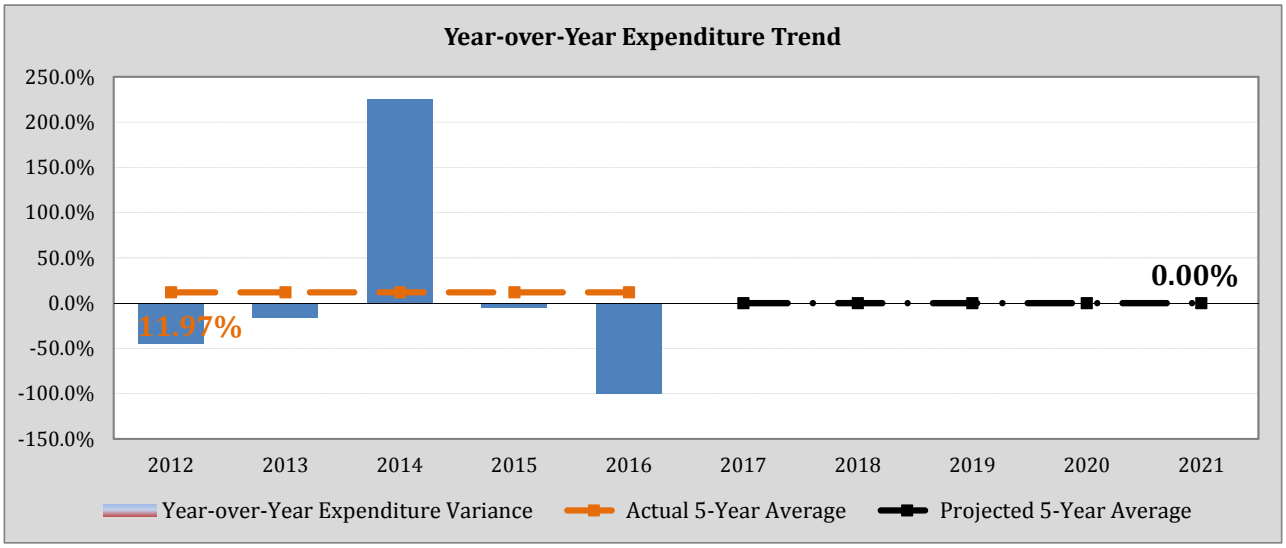
5.040 - Total Other Financing Uses

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:	5/16/2016	10/24/2016		
1	Real Estate & Property Allocation	$8,864,005	$8,927,260	$63,255	0.7%
2	Public Utility Personal Property	$698,933	$699,940	$1,007	0.1%
3	Income Tax	$0	$0	$0	n/a
4	State Foundation Restricted & Unrestricted	$14,673,363	$14,498,947	-$174,416	-1.2%
5	Other Revenue	$1,570,136	$1,583,630	$13,494	0.9%
6	Other Non Operating Revenue	$11,000	$15,000	$4,000	36.4%
7	Total Revenue	$25,817,437	$25,724,777	-$92,660	-0.4%
	Expenditures:				
8	Salaries	$14,553,814	$14,721,895	$168,081	1.2%
9	Fringe Benefits	$5,602,163	$5,657,584	$55,421	1.0%
10	Purchased Services	$3,089,616	$3,309,725	$220,109	7.1%
11	Supplies, Debt, Capital Outlay & Other	$1,226,448	$1,380,786	$154,338	12.6%
12	Other Non Operating Expenditures	$0	$0	$0	n/a
13	Total Expenditures	$24,472,041	$25,069,991	$597,950	2.4%
14	Revenue Over/(Under) Expenditures	$1,345,396	$654,786	-$690,610	-2.8%*
15	Ending Cash Balance	$5,244,379	$4,999,427	-$244,952	-1%*

*Percentage expressed in terms of total expenditures

The chart above compares the fiscal year 2017 projections between the May 2016 forecast and the current forecast. Fiscal year 2017 total revenue estimates are very similar showing a variation of only -0.4%. The main difference is related to the State foundation revenue due primarily to lower per pupil funding based on updated student enrollment numbers. Fiscal year 2017 expenditure estimates show a variation of 2.4% with increased expenditure estimates in each of the categories shown which give a net change of -1% to the forecasted ending cash balance for the District's general operating 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	7,664,403	7,709,591	6,985,934	6,250,724	6,268,232
1.020 - Public Utility Personal Property	633,218	699,940	706,259	677,047	648,558	655,044
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	14,378,114	14,207,259	14,137,542	14,138,451	14,138,745	14,139,081
1.040 - Restricted Grants-in-Aid	244,341	291,688	290,637	286,425	285,064	283,509
1.045 - Restricted Federal Grants - SFSF	-	-	-	-	-	-
1.050 - Property Tax Allocation	1,299,215	1,262,857	1,277,109	1,150,993	1,022,447	1,025,663
1.060 - All Other Operating Revenues	1,625,728	1,583,630	1,559,829	1,578,029	1,596,229	1,614,429
1.070 - Total Revenue	25,728,218	25,709,777	25,680,968	24,816,879	23,941,768	23,985,957
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	15,000	15,000	15,000	15,000	15,000
2.070 - Total Other Financing Sources	20,285	15,000	15,000	15,000	15,000	15,000
2.080 - Total Rev & Other Sources	25,748,503	25,724,777	25,695,968	24,831,879	23,956,768	24,000,957
Expenditures:						
3.010 - Personnel Services	14,827,882	14,721,895	15,240,874	15,569,102	15,754,824	15,898,546
3.020 - Employee Benefits	5,869,689	5,657,584	7,113,306	7,605,651	8,134,733	8,661,732
3.030 - Purchased Services	3,055,327	3,309,725	3,333,600	3,440,100	3,546,100	3,660,100
3.040 - Supplies and Materials	612,951	749,338	626,300	642,800	657,300	670,800
3.050 - Capital Outlay	205,647	225,000	215,000	215,000	215,000	215,000
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	335,300	350,800	342,300	345,900	349,500
4.500 - Total Expenditures	24,935,630	25,069,991	26,951,028	27,886,101	28,725,005	29,491,252
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	25,069,991	26,951,028	27,886,101	28,725,005	29,491,252
6.010 - Excess of Rev Over/(Under) Exp	812,873	654,786	(1,255,061)	(3,054,222)	(4,768,238)	(5,490,294)
7.010 - Cash Balance July 1 (No Levies)	3,531,768	4,344,641	4,999,427	3,744,366	690,144	(4,078,093)
7.020 - Cash Balance June 30 (No Levies)	4,344,641	4,999,427	3,744,366	690,144	(4,078,093)	(9,568,388)
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	4,933,056	3,744,366	690,144	(4,078,093)	(9,568,388)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Income & Property Tax-Renewal		-	-	930,461	1,860,930	1,860,948
11.030 - Cumulative Balance of Levies	-	-	-	930,461	2,791,391	4,652,339
12.010 - Fund Bal June 30 for Cert of Obligations	3,848,373	4,933,056	3,744,366	1,620,605	(1,286,702)	(4,916,049)
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	4,933,056	3,744,366	1,620,605	(1,286,702)	(4,916,049)

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