



Berkshire Local School District - Geauga County

# Five Year Forecast Financial Report

October, 2018

*Beth A. McCaffrey, Treasurer*

# Table of Contents

	<u>Page</u>
Table of Contents	2
Forecast Summary	3
Revenue Sources and Forecast Year-Over-Year Projected Overview	4
1.010 - General Property Tax (Real Estate)	5
1.020 - Public Utility Personal Property	6
1.030 - Income Tax	7
1.035 - Unrestricted Grants-in-Aid	8
1.040 & 1.045 - Restricted Grants-in-Aid	9
1.050 - Property Tax Allocation	10
1.060 - All Other Operating Revenues	11
2.070 - Total Other Financing Sources	12
Expenditures Overview	13
3.010 - Personnel Services	14
3.020 - Employee Benefits	15
3.030 - Purchased Services	16
3.040 - Supplies and Materials	17
3.050 - Capital Outlay	18
3.060 - 4.060 - Intergovernmental & Debt	19
4.300 - Other Objects	20
5.040 - Total Other Financing Uses	21
Five Year Forecast	22

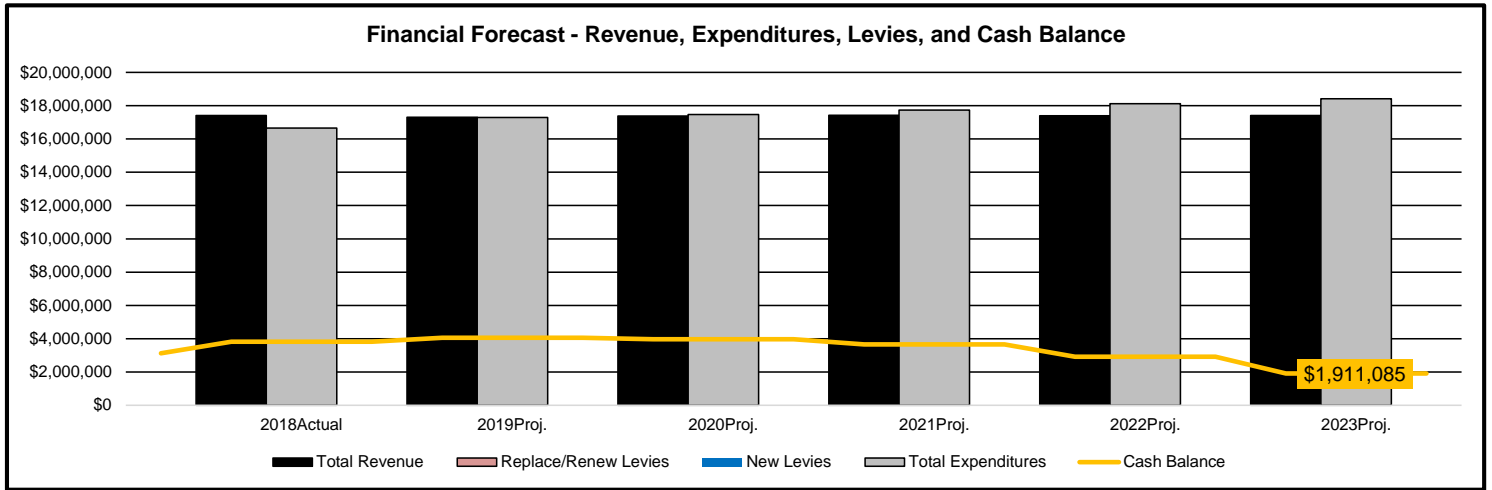
## Forecast Purpose/Objectives

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.

Forecast Methodology - This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year and while cash flow monitoring helps to identify unexpected variances no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.

# Forecast Summary



## Berkshire Local School District - Geauga County

### Financial Forecast

Financial Forecast	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Beginning Balance	4,204,225	4,207,409	4,123,277	3,805,089	3,069,966
+ Revenue	17,301,478	17,381,367	17,418,377	17,389,357	17,412,191
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(17,298,294)	(17,465,499)	(17,736,565)	(18,124,480)	(18,421,072)
= Revenue Surplus or Deficit	3,184	(84,132)	(318,188)	(735,123)	(1,008,881)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	4,207,409	4,123,277	3,805,089	3,069,966	2,061,085

### Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	3,184	(84,132)	(318,188)	(735,123)	(1,008,881)
Ending Balance w/o Levies	4,207,409	4,123,277	3,805,089	3,069,966	2,061,085

### District Summary

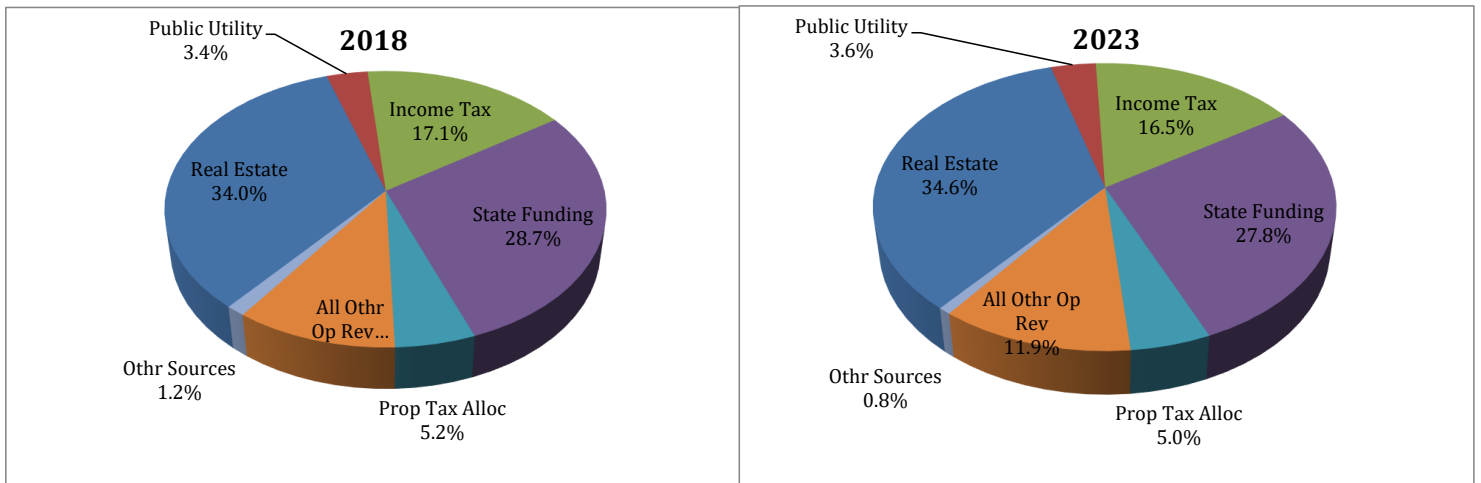
The District ended fiscal year 2018 with \$252,145 more than anticipated in the May 2018 forecast.

FY19 revenues are forecasted to remain relatively flat over FY18 amounts.

Expenditures are forecasted to increase about 3% over FY18 amounts. During the summer of 2018, the District concluded work on a collective bargaining agreement, which covers FY19 through FY21. Elements of the agreement included adjustments to the District's health insurance program that enabled affordable base wage increases for employees.

The District is forecasted to have a positive fund balance through the life of the forecast.

## Revenue Sources and Forecast Year-Over-Year Projected Overview



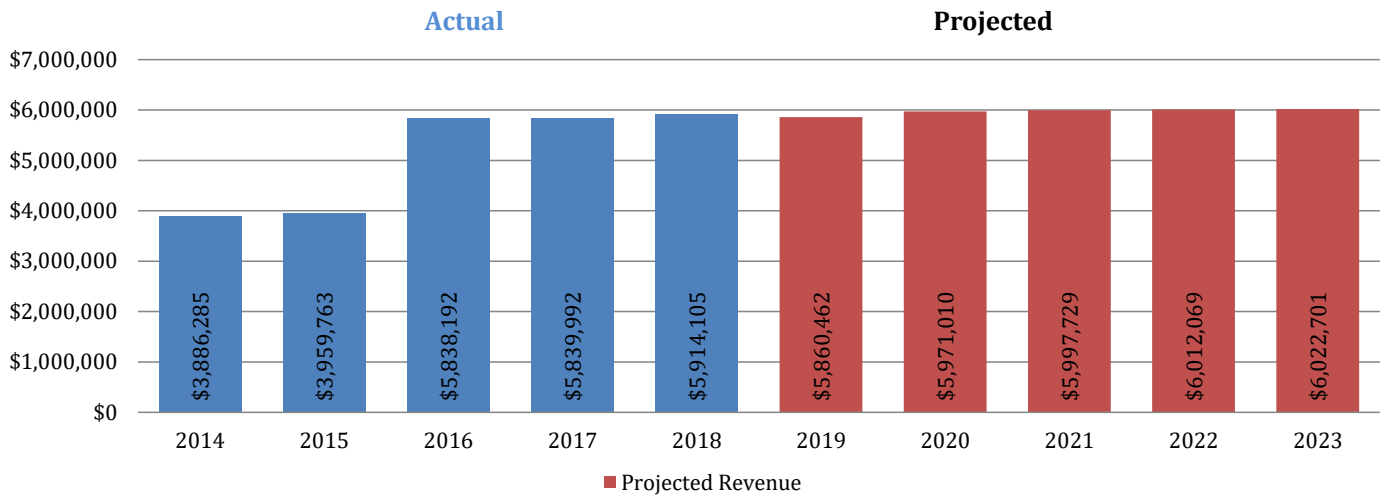
	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Revenue:							
1.010-Real Estate	10.54%	-0.91%	1.89%	0.45%	0.24%	0.18%	0.37%
1.020-Public Utility	16.55%	-1.49%	4.32%	0.50%	0.50%	0.50%	0.87%
1.030-Income Tax	13.21%	-4.90%	0.46%	0.45%	0.26%	0.26%	-0.69%
1.035-State Funding	14.40%	-1.49%	-1.07%	0.00%	-0.97%	0.00%	-0.70%
1.040-Restricted Aid	90.90%	8.42%	0.11%	0.04%	-0.02%	0.05%	1.72%
1.045-Restr Federal SF	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-2.07%	-5.98%	0.77%	0.51%	0.25%	0.17%	-0.86%
1.060-All Other Operating	21.64%	16.19%	-1.16%	-0.48%	-0.48%	0.00%	2.81%
1.070-Total Revenue	11.89%	-0.18%	0.47%	0.21%	-0.17%	0.13%	0.09%
2.070-Total Other Sources	10.88%	-37.83%	0.00%	0.00%	0.00%	0.00%	-7.57%
2.080-Total w/Other Srcs	11.83%	-0.65%	0.46%	0.21%	-0.17%	0.13%	0.00%

### REVENUES

Revenues are forecasted to remain relatively flat throughout the forecast. While we will see slight increases in Real Estate Taxes and Income Taxes, the loss in state funding will offset these increases. The District has benefited from expanding the open enrollment to all grade levels and with the passage of the bond levy to build a new Pre K – 12 building on Kent State University’s property, we expect this trend to continue.

### 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).



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	5,914,105	5,860,462	5,971,010	5,997,729	6,012,069	6,022,701
YOY \$ Change	74,113	(53,643)	110,548	26,719	14,340	10,632
YOY % Change	1.3%	-0.9%	1.9%	0.4%	0.2%	0.2%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	34.0%	33.9%	34.4%	34.4%	34.6%	34.6%

Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2017	326,534,950	(4,236,440)	20.23	0.21	22.17	1.11	101.5%
2018	332,086,390	5,551,440	20.24	0.01	22.27	0.10	99.4%
2019	334,186,390	2,100,000	20.24	-	22.27	-	100.0%
2020	336,036,390	1,850,000	20.19	(0.05)	22.27	-	100.0%
2021	336,636,390	600,000	20.19	-	22.27	-	100.0%
2022	337,236,390	600,000	20.19	-	22.27	-	100.0%

#### Real Property Tax

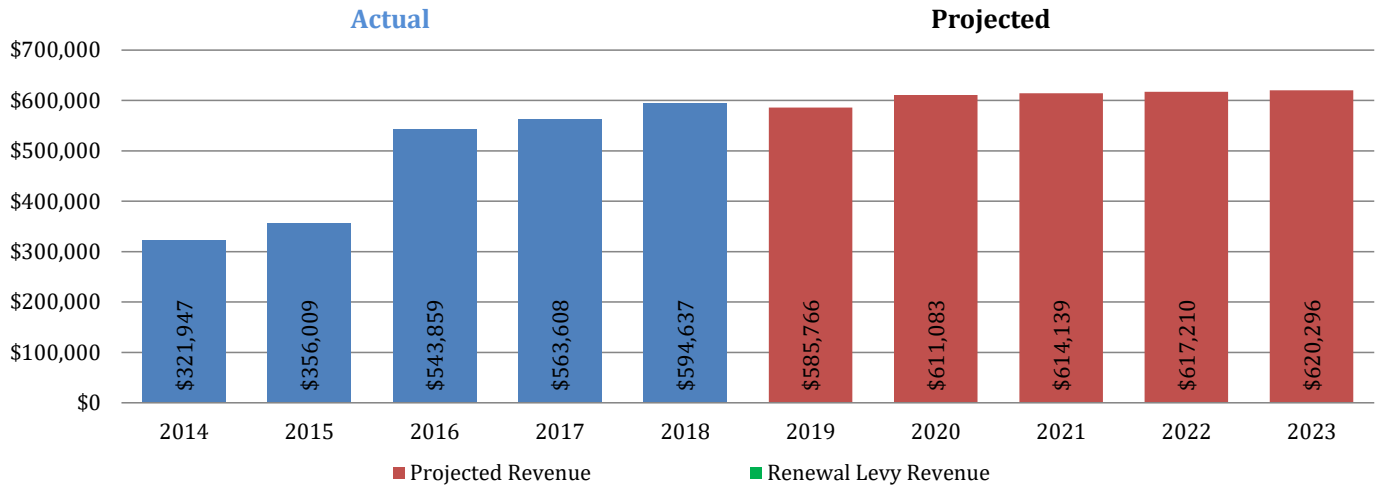
Real property tax is the largest source of revenue for the District making up 34% of total revenue.

Geauga County underwent a sextennial reappraisal in 2017 which resulted in a slight dip in valuations. Those valuations have bounced back in 2018 with new construction. Statistics from the Geauga County Building Department shows that this trend of new construction will continue in 2019 with 12 permits being issued in the first two quarters of 2018.

\*Projected % trends include renewal levies

### 1.020 - Public Utility Personal Property

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	594,637	585,766	611,083	614,139	617,210	620,296
YOY \$ Change	31,029	(8,871)	25,317	3,056	3,071	3,086
YOY % Change	5.5%	-1.5%	4.3%	0.5%	0.5%	0.5%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	3.4%	3.4%	3.5%	3.5%	3.5%	3.6%

Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2017	13,172,320	544,700	49.80	-	92.7%
2018	13,204,047	31,727	49.80	-	92.7%
2019	13,270,067	66,020	49.80	-	92.7%
2020	13,336,417	66,350	49.80	-	92.7%
2021	13,403,100	66,682	49.80	-	92.7%
2022	13,470,115	67,015	49.80	-	92.7%

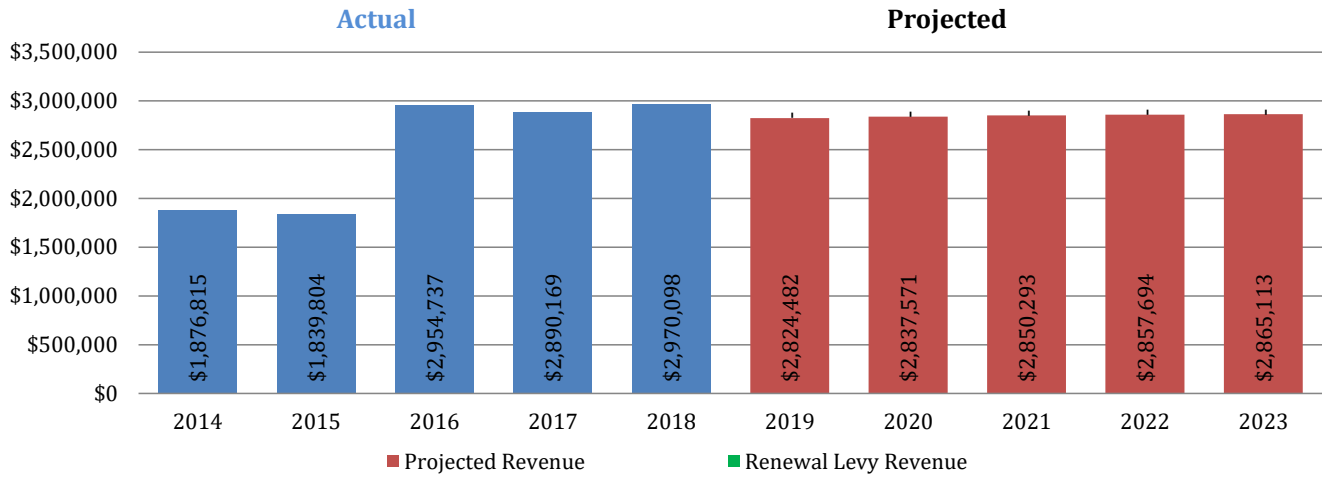
Public Utility Tax

Public Utility tax duplicate values for Berkshire remains relatively flat.

\*Projected % trends include renewal levies

### 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.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	2,970,098	2,824,482	2,837,571	2,850,293	2,857,694	2,865,113
YOY \$ Change	79,929	(145,616)	13,089	12,722	7,401	7,419
YOY % Change	2.8%	-4.9%	0.5%	0.4%	0.3%	0.3%
Percentage of Total Revenue	17.1%	16.3%	16.3%	16.4%	16.4%	16.5%

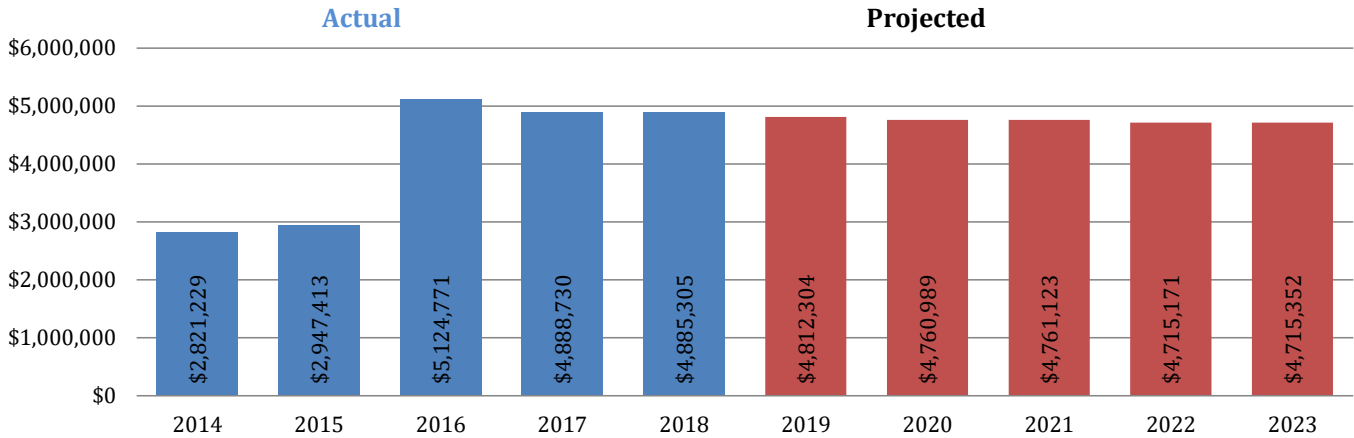
#### Income Tax

The District collects an earned income tax of 1%, which accounts for 16% of total revenue. Collections for FY18 saw a slight increase however that increase has been offset by a large refund in the first quarter of FY19. FY20 through FY23 projections reflect slight growth.

*\*Projected % trends include renewal levies*

### 1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	4,885,305	4,812,304	4,760,989	4,761,123	4,715,171	4,715,352
YOY \$ Change	(3,425)	(73,001)	(51,315)	134	(45,952)	181
YOY % Change	-0.1%	-1.5%	-1.1%	0.0%	-1.0%	0.0%
Percentage of Total Revenue	28.1%	27.8%	27.4%	27.3%	27.1%	27.1%
Core Funding Per Pupil	6,010	6,020	6,020	6,020	6,020	6,020
State Share Index (SSI)	32.6%	32.6%	23.1%	23.1%	26.4%	26.4%
State Core Funding Per Pupil	1,959	1,962	1,388	1,388	1,590	1,590
Formula ADM (Funded Student Count)	1,320	1,354	1,360	1,363	1,361	1,366
Funding Status	Guarantee	Guarantee	Guarantee	Guarantee	Guarantee	Guarantee

Unrestricted grants-in-aid represent funds received through the Ohio Department of Education (ODE) and accounts for 28% of total revenue. The State funding for schools is based on several factors all of which are subject to deliberations and approval of the Ohio General Assembly.

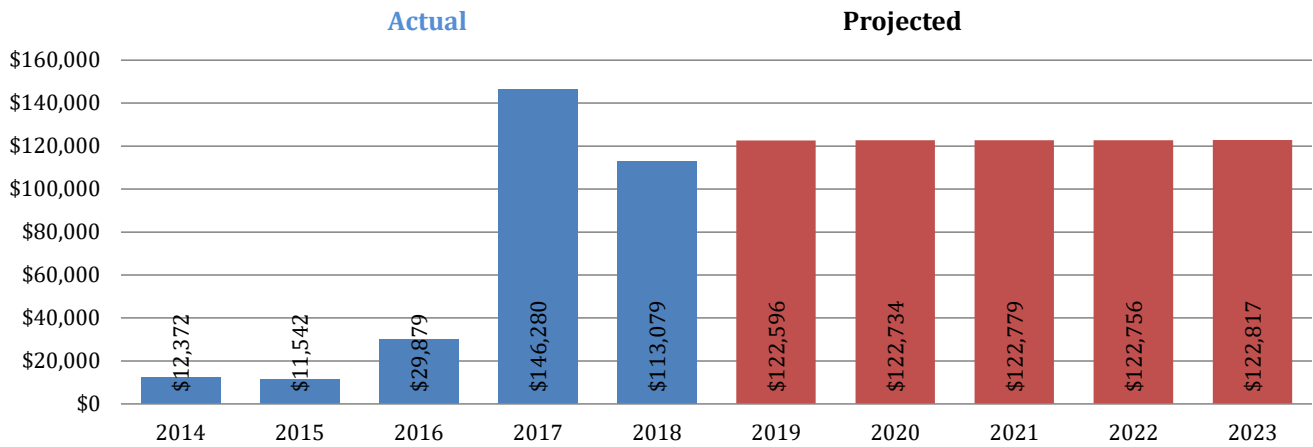
The state formula calculates the funding it sends to schools by multiplying the per-pupil funding amount (FY19 = \$6,020) times the district enrollment multiplied by the district's individual state share percentage. The state share percentage is determined by the district's relative wealth per pupil compared to other districts. For FY19, State Foundation monies represent 27.8% of total revenues. The District remains on the state guarantee which means the District is guaranteed to a minimum of funding set by the State Legislature.

In 2009, Ohio voters approved the construction of four full-service casinos in the State of Ohio. The Constitutional Amendment directs that school districts receive a portion of the gross casino revenue based on student populations for students who are residents of the county in which the School resides. The revenue is intended to supplement current State aid, not supplant. The estimates used are based on current enrollment and revenues supplementing, not supplanting. The amounts used are \$52.00 per student for FY19 through FY23. FY19 casino revenues are estimated at \$66,924.



### 1.040 & 1.045 - Restricted Grants-in-Aid

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



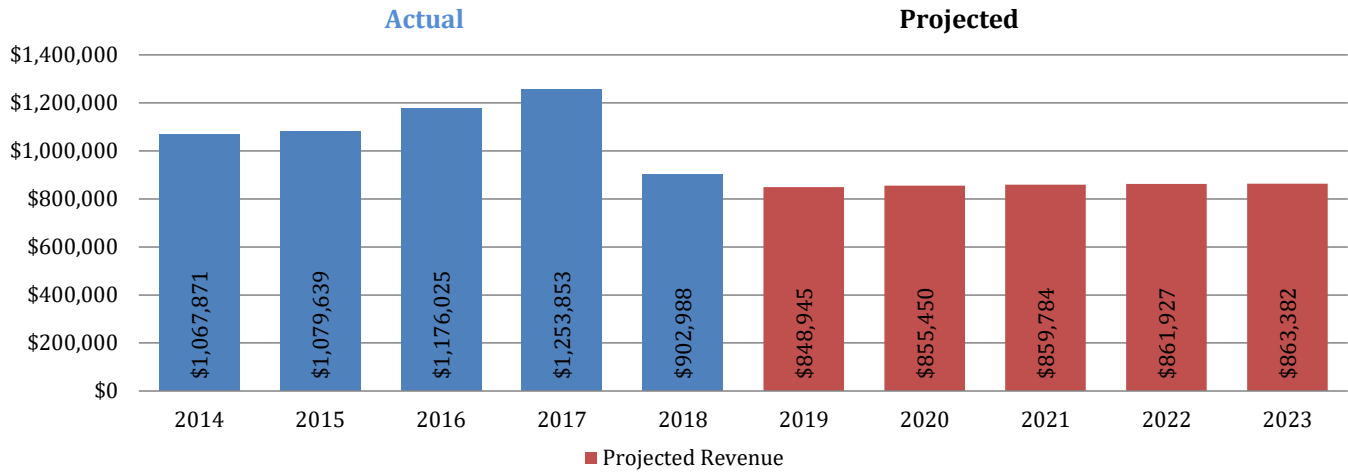
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	113,079	122,596	122,734	122,779	122,756	122,817
YOY \$ Change	(33,201)	9,517	138	45	(23)	61
YOY % Change	-22.7%	8.4%	0.1%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%
Economic Disadvantaged Funding	16,464	17,554	17,843	17,888	17,865	17,926
Percentage of Disadvantaged Students	22.4%	22.4%	22.5%	22.5%	22.5%	22.5%

#### Restricted Grants-in-Aid

Restricted Grants-in-Aid represents funding for monies that are restricted for a specific purpose such as: special education catastrophic cost reimbursement, economically disadvantaged, bus purchases and career technology.

### 1.050 - Property Tax Allocation

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	902,988	848,945	855,450	859,784	861,927	863,382
YOY \$ Change	(350,865)	(54,043)	6,505	4,334	2,143	1,455
YOY % Change	-28.0%	-6.0%	0.8%	0.5%	0.2%	0.2%
Percentage of Total Revenue	5.2%	4.9%	4.9%	4.9%	5.0%	5.0%
% of Residential Real Estate 10% Rollback	5.76%	5.76%	5.76%	5.76%	5.76%	5.76%
% of Residential Real Estate 2.5% Rollback	5.76%	5.76%	5.76%	5.76%	5.76%	5.76%
% of Residential Real Estate Homestead	2.89%	2.89%	2.89%	2.89%	2.89%	2.89%

**Property Tax Allocation**

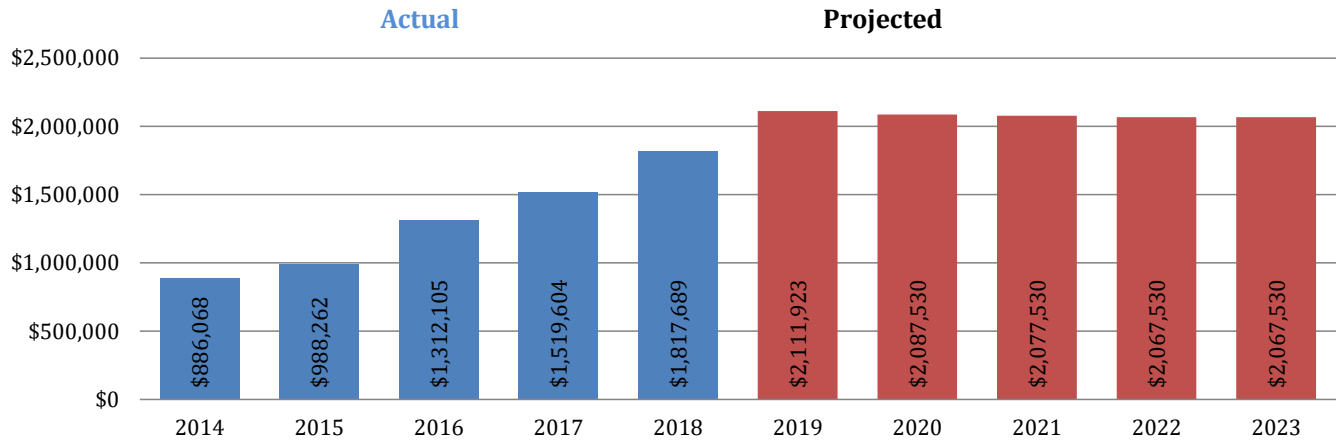
The state provides property tax reimbursements to qualifying Class I (residential and agricultural) property owners. All Class I taxpayers are provided a 10% rollback on their taxes by the State of Ohio. An additional 2.5% tax incentive or “rollback” is provided to owner occupied dwellings and certain other tax payers.

The large dip from 2017 to 2018 is due to the phase out of the Tangible Personal Property Tax.

*\*Projected % trends include renewal levies*

### 1.060 - All Other Operating Revenues

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	1,817,689	2,111,923	2,087,530	2,077,530	2,067,530	2,067,530
YOY \$ Change	298,085	294,234	(24,393)	(10,000)	(10,000)	-
YOY % Change	19.6%	16.2%	-1.2%	-0.5%	-0.5%	0.0%
Percentage of Total Revenue	10.4%	12.2%	12.0%	11.9%	11.9%	11.9%

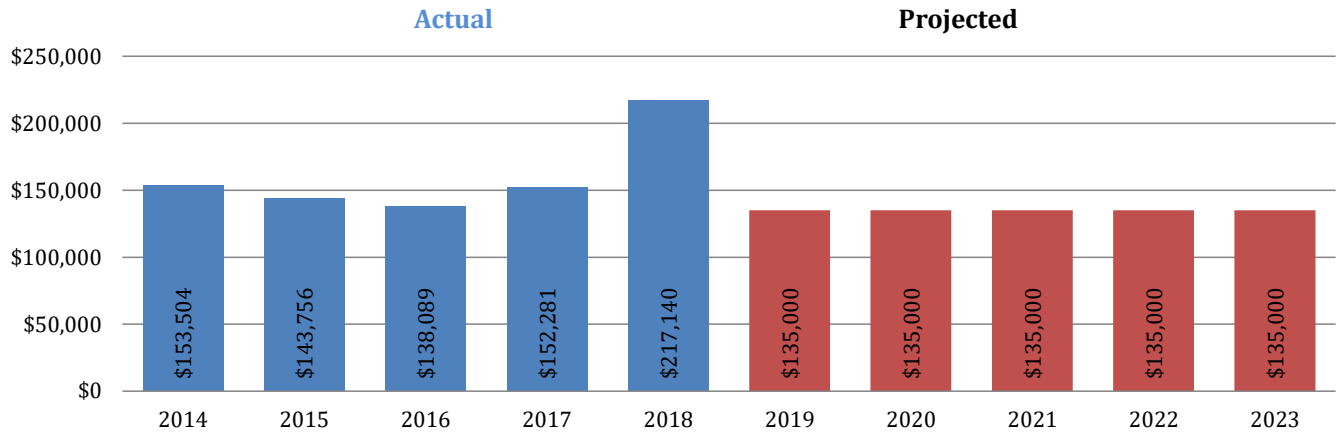
**All Other Revenue**

This revenue line item includes all other local revenue, open enrollment, manufactured home revenue, Medicaid reimbursements and interest earnings.

In FY19 this category represents 12% of total revenue. The largest revenue source is open enrollment. The District has seen significant growth in open enrolled students with the passage of the bond issue. In FY19, 193 students have open enrolled.

## 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.

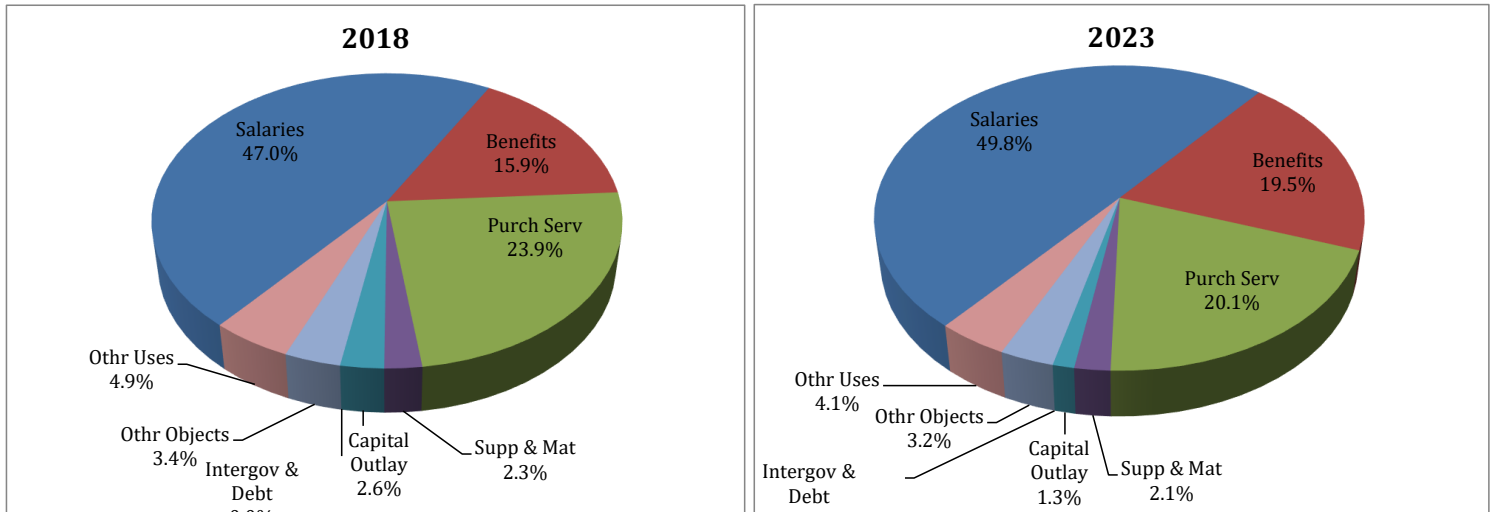


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	217,140	135,000	135,000	135,000	135,000	135,000
YOY \$ Change	64,859	(82,140)	-	-	-	-
YOY % Change	42.6%	-37.8%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	1.2%	0.8%	0.8%	0.8%	0.8%	0.8%
Transfers In	-	-	-	-	-	-
Advances In	100,000	125,000	125,000	125,000	125,000	125,000

### Other Financing Sources

This category includes advances in, which are temporary movement of monies between funds and other revenue sources such as sale and loss of Assets and refund of prior year expenditures.

### Expenditure Categories and Forecast Year-Over-Year Projected Overview



	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
<b>Expenditures:</b>							
3.010-Salaries	7.08%	6.88%	2.55%	2.08%	2.09%	2.55%	3.23%
3.020-Benefits	8.67%	12.88%	4.57%	3.90%	5.17%	5.63%	6.43%
3.030-Purchased Services	18.85%	-0.07%	-6.48%	-0.45%	0.00%	0.00%	-1.40%
3.040-Supplies & Materials	8.07%	20.30%	-12.51%	-3.78%	0.00%	0.00%	0.80%
3.050-Capital Outlay	35.54%	-71.38%	64.62%	1.19%	17.71%	-6.24%	1.18%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.300-Other Objects	3.78%	0.93%	1.16%	0.00%	0.00%	0.00%	0.42%
4.500-Total Expenditures	9.82%	4.08%	0.75%	1.63%	2.30%	2.34%	2.22%
5.040-Total Other Uses	6.78%	0.55%	5.38%	0.00%	0.00%	-12.49%	-1.31%
5.050-Total w/Other Uses	9.60%	3.90%	0.97%	1.55%	2.19%	1.64%	2.05%

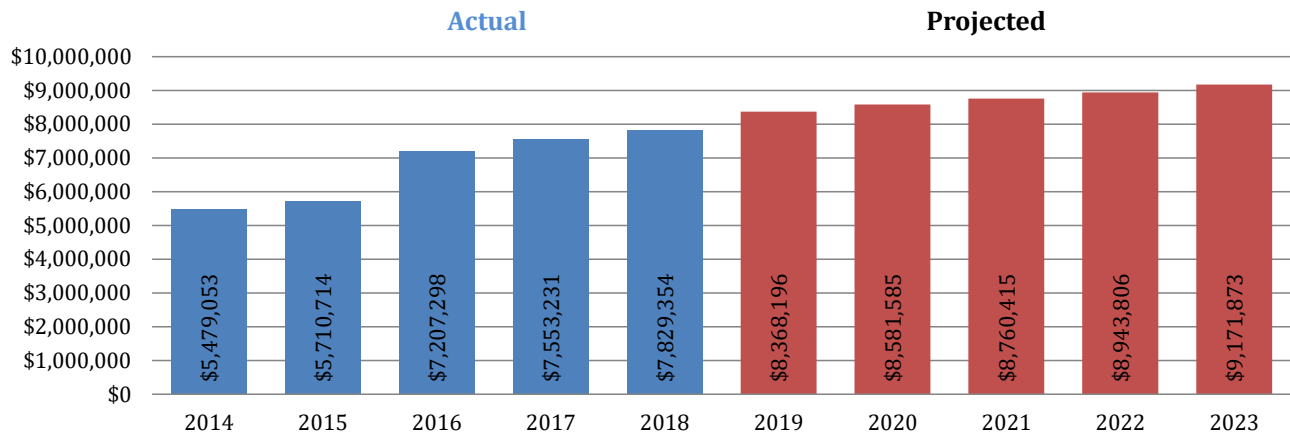
**EXPENDITURES**

The District continues to monitor expenditures closely. Overall expenditures are projected to increase, on average, at a rate of 2% per year. Each expenditure note goes into further detail about the year-over-year change.

Expenditures reflect the goals and objectives of the District including the migration of the District into one building for FY21. The new building will allow the District to utilize efficiencies in operations which are reflected in each expenditure category.

### 3.010 - Personnel Services

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



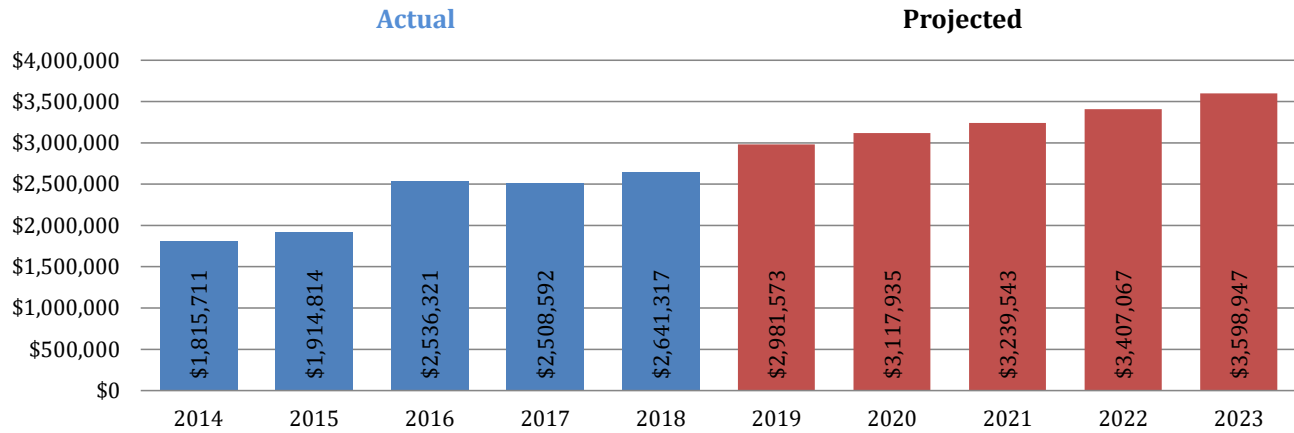
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	7,829,354	8,368,196	8,581,585	8,760,415	8,943,806	9,171,873
YOY \$ Change	276,123	538,842	213,389	178,830	183,391	228,067
YOY % Change	3.7%	6.9%	2.6%	2.1%	2.1%	2.5%
Percentage of Total Budget	47.0%	48.4%	49.1%	49.4%	49.3%	49.8%

**Personnel Services**

Forecasted salary amounts are based on current negotiated contracts and non-negotiated employees. The current negotiated contract for Certified and Classified Employees expires at the end of FY21. Personnel Services include all salaries, substitutes, long term substitutes, certified extra classes, and overtime costs. FY19 reflects the addition of one teacher and two school psychologists and reflects \$200,000 to be allocated to Title I salaries.

### 3.020 - Employees' Benefits

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



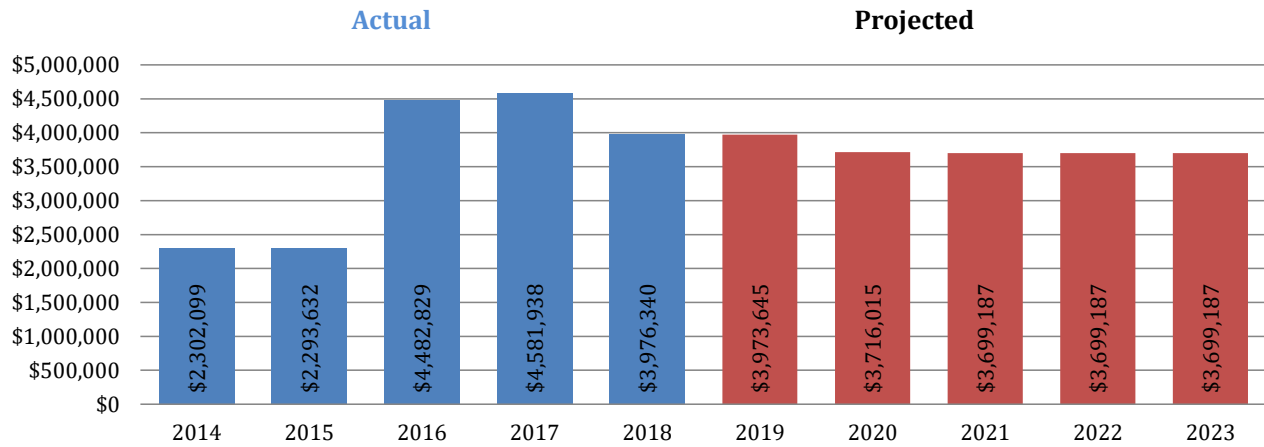
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	2,641,317	2,981,573	3,117,935	3,239,543	3,407,067	3,598,947
YOY \$ Change	132,725	340,256	136,362	121,608	167,524	191,880
YOY % Change	5.3%	12.9%	4.6%	3.9%	5.2%	5.6%
Percentage of Total Budget	15.9%	17.2%	17.9%	18.3%	18.8%	19.5%

#### Employees' Retirement/Insurance Benefits

Benefits include: retirement, Medicare, workers' compensation, unemployment compensation, life insurance, health and dental insurance. On August 1, 2018, the District switched health carriers to Medical Mutual of Ohio. With the new negotiated agreements, healthcare concessions have allowed the District to maintain benefits while controlling costs.

### 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.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	3,976,340	3,973,645	3,716,015	3,699,187	3,699,187	3,699,187
YOY \$ Change	(605,598)	(2,695)	(257,630)	(16,828)	-	-
YOY % Change	-13.2%	-0.1%	-6.5%	-0.5%	0.0%	0.0%
Percentage of Total Budget	23.9%	23.0%	21.3%	20.9%	20.4%	20.1%

**Purchased Services**

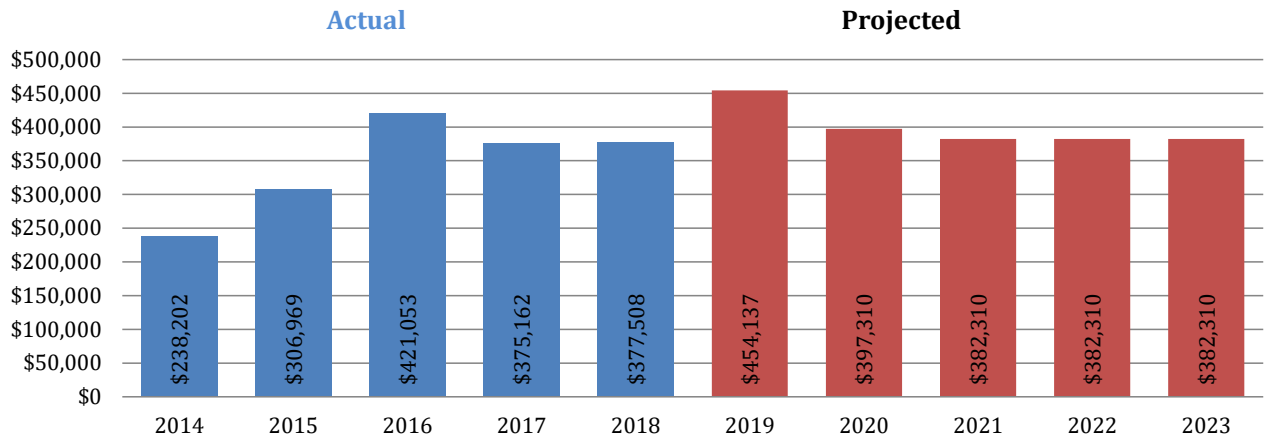
This category represents amounts paid for personal services rendered by personnel who are not on the payroll of the school district along with tuition costs to other districts and utilities and represents 23% of the total budget in FY19. The largest expenditure in this category is for special education services followed by open enrollment out. In FY19, the District has seen a significant drop in open enrolled students out to other districts.

It is important to note that any unanticipated spikes in these categories will require a reprioritization within and among the costs included.



### 3.040 - Supplies & Materials

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



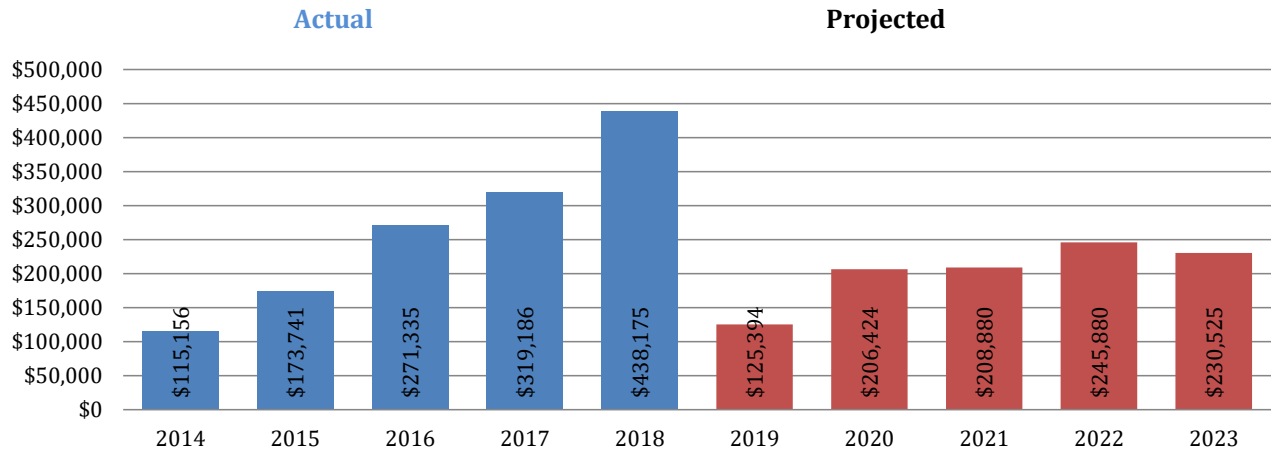
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	377,508	454,137	397,310	382,310	382,310	382,310
YOY \$ Change	2,346	76,629	(56,827)	(15,000)	-	-
YOY % Change	0.6%	20.3%	-12.5%	-3.8%	0.0%	0.0%
Percentage of Total Budget	2.3%	2.6%	2.3%	2.2%	2.1%	2.1%

#### Supplies & Materials

Supplies and materials are comprised of classroom supplies, textbooks, janitorial and transportation fuel and supplies costs. The spike in FY19 spending is due to a change to instructional methods.

### 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.



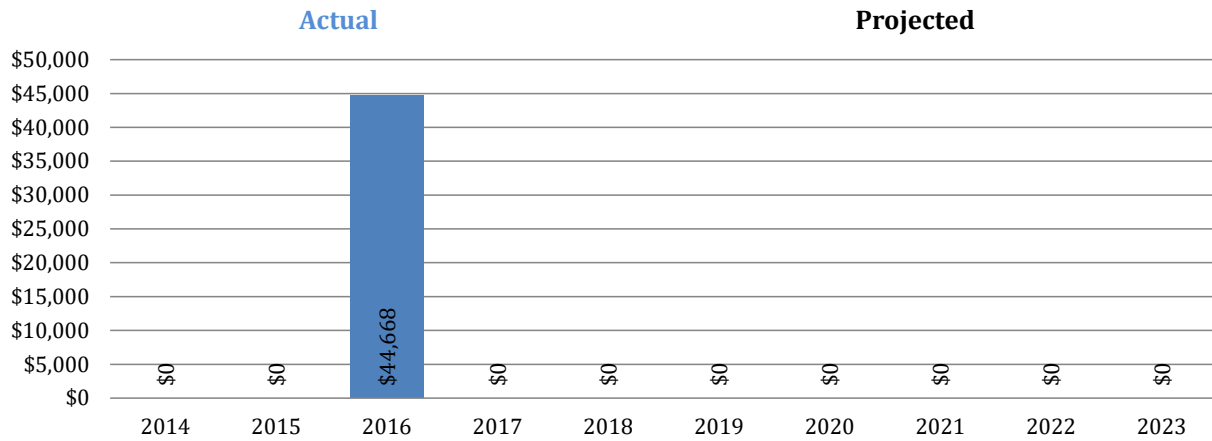
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	438,175	125,394	206,424	208,880	245,880	230,525
YOY \$ Change	118,989	(312,781)	81,030	2,456	37,000	(15,355)
YOY % Change	37.3%	-71.4%	64.6%	1.2%	17.7%	-6.2%
Percentage of Total Budget	2.6%	0.7%	1.2%	1.2%	1.4%	1.3%

**Capital Outlay**

In FY19, lease payments for 3 buses were reassigned to the permanent improvement fund.

### 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.



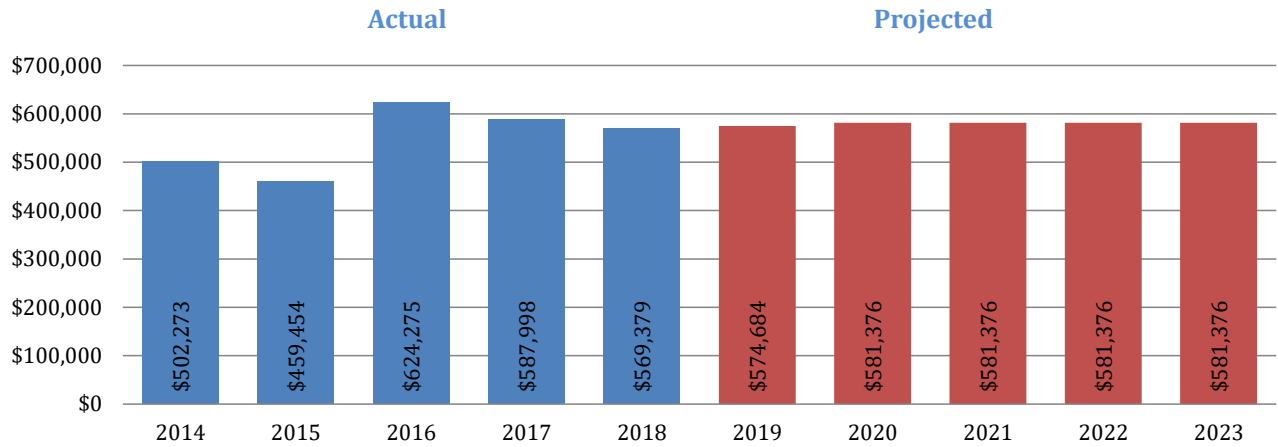
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	-	-	-	-	-	-
YOY \$ Change	-	-	-	-	-	-
YOY % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Intergovernmental & Debt**

FY16 reflects a final payment on a tax anticipation note acquired by Ledgemont in 2011 for a boiler replacement. This debt does not qualify for debt forgiveness under HB487.

### 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.



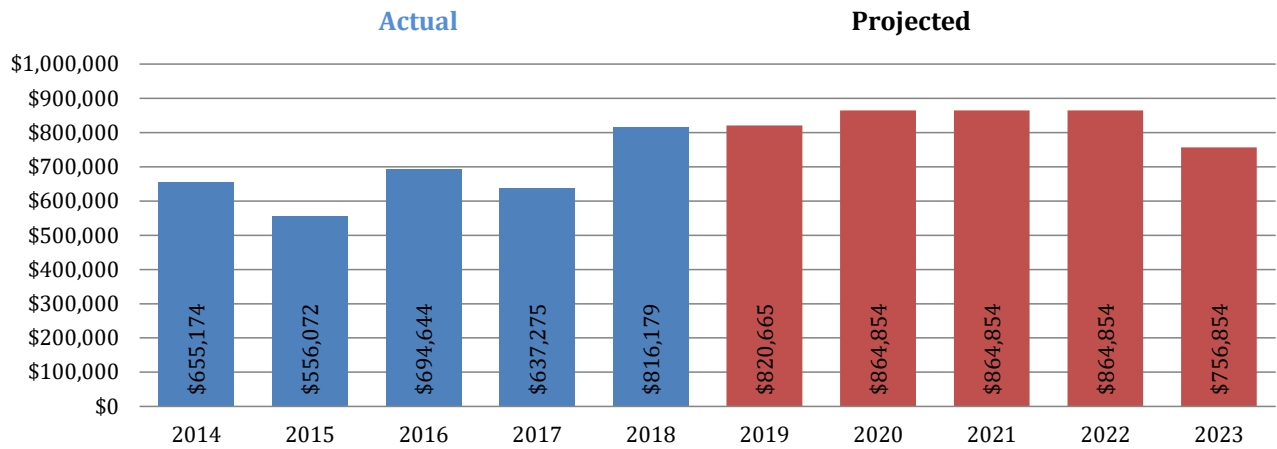
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	569,379	574,684	581,376	581,376	581,376	581,376
YOY \$ Change	(18,619)	5,305	6,692	-	-	-
YOY % Change	-3.2%	0.9%	1.2%	0.0%	0.0%	0.0%
Percentage of Total Budget	3.4%	3.3%	3.3%	3.3%	3.2%	3.2%

**Other Objects**

Other objects include expenditures such as County Auditor and Treasurer fees and costs associated with the County Educational Service Center and audit costs.

### 5.040 - Total Other Financing Uses

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	816,179	820,665	864,854	864,854	864,854	756,854
YOY \$ Change	178,904	4,486	44,189	-	-	(108,000)
YOY % Change	28.1%	0.5%	5.4%	0.0%	0.0%	-12.5%

Percentage of Total Budget	4.9%	4.7%	5.0%	4.9%	4.8%	4.1%
----------------------------	------	------	------	------	------	------

Transfers Out	715,582	695,665	739,854	739,854	739,854	739,854
Advances Out	100,597	125,000	125,000	125,000	125,000	17,000

	Actual	Projected				
	2018	2019	2020	2021	2022	2023
		Projections are not Based Upon Previous Fiscal Year				
Self Insurance Fund	525,000	400,000	400,000	400,000	400,000	400,000
Athletics	25,000	30,000	30,000	30,000	30,000	30,000
Termination Benefits	95,582	20,811	75,000	75,000	75,000	75,000
Misc Fund	-	5,000	5,000	5,000	5,000	5,000
Cafeteria	70,000	70,000	60,000	60,000	60,000	60,000
OFCC Set Aside	-	169,854	169,854	169,854	169,854	169,854
	-	-	-	-	-	-
	715,582	715,582	695,665	739,854	739,854	739,854

The transfer to the Termination Benefits Fund represents a set-aside for future severance payments for exiting employees upon their retirement. The amount is derived from the accrual calculation in the preparation of financial statements. The District will begin setting aside the equivalent of .50 mills to the OFCC construction fund.

Advances-Out are typically approved prior to the fiscal year end for state and federal funds and these advances are anticipated to be returned to the general fund within the same fiscal year.

## Berkshire Local School District - Geauga County

### Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2018	2019	2020	2021	2022	2023
<b>Revenue:</b>						
1.010 - General Property Tax (Real Estate)	5,914,105	5,860,462	5,971,010	5,997,729	6,012,069	6,022,701
1.020 - Public Utility Personal Property	594,637	585,766	611,083	614,139	617,210	620,296
1.030 - Income Tax	2,970,098	2,824,482	2,837,571	2,850,293	2,857,694	2,865,113
1.035 - Unrestricted Grants-in-Aid	4,885,305	4,812,304	4,760,989	4,761,123	4,715,171	4,715,352
1.040 - Restricted Grants-in-Aid	113,079	122,596	122,734	122,779	122,756	122,817
1.050 - Property Tax Allocation	902,988	848,945	855,450	859,784	861,927	863,382
1.060 - All Other Operating Revenues	1,817,689	2,111,923	2,087,530	2,077,530	2,067,530	2,067,530
<b>1.070 - Total Revenue</b>	<b>17,197,901</b>	<b>17,166,478</b>	<b>17,246,367</b>	<b>17,283,377</b>	<b>17,254,357</b>	<b>17,277,191</b>
<b>Other Financing Sources:</b>						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	100,000	125,000	125,000	125,000	125,000	125,000
2.060 - All Other Financing Sources	117,140	10,000	10,000	10,000	10,000	10,000
<b>2.070 - Total Other Financing Sources</b>	<b>217,140</b>	<b>135,000</b>	<b>135,000</b>	<b>135,000</b>	<b>135,000</b>	<b>135,000</b>
<b>2.080 - Total Rev &amp; Other Sources</b>	<b>17,415,041</b>	<b>17,301,478</b>	<b>17,381,367</b>	<b>17,418,377</b>	<b>17,389,357</b>	<b>17,412,191</b>
<b>Expenditures:</b>						
3.010 - Personnel Services	7,829,354	8,368,196	8,581,585	8,760,415	8,943,806	9,171,873
3.020 - Employee Benefits	2,641,317	2,981,573	3,117,935	3,239,543	3,407,067	3,598,947
3.030 - Purchased Services	3,976,340	3,973,645	3,716,015	3,699,187	3,699,187	3,699,187
3.040 - Supplies and Materials	377,508	454,137	397,310	382,310	382,310	382,310
3.050 - Capital Outlay	438,175	125,394	206,424	208,880	245,880	230,525
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	569,379	574,684	581,376	581,376	581,376	581,376
<b>4.500 - Total Expenditures</b>	<b>15,832,073</b>	<b>16,477,629</b>	<b>16,600,645</b>	<b>16,871,711</b>	<b>17,259,626</b>	<b>17,664,218</b>
<b>Other Financing Uses</b>						
5.010 - Operating Transfers-Out	715,582	695,665	739,854	739,854	739,854	739,854
5.020 - Advances-Out	100,597	125,000	125,000	125,000	125,000	17,000
5.030 - All Other Financing Uses	-	-	-	-	-	-
<b>5.040 - Total Other Financing Uses</b>	<b>816,179</b>	<b>820,665</b>	<b>864,854</b>	<b>864,854</b>	<b>864,854</b>	<b>756,854</b>
<b>5.050 - Total Exp and Other Financing Uses</b>	<b>16,648,252</b>	<b>17,298,294</b>	<b>17,465,499</b>	<b>17,736,565</b>	<b>18,124,480</b>	<b>18,421,072</b>
<b>6.010 - Excess of Rev Over/(Under) Exp</b>	<b>766,789</b>	<b>3,184</b>	<b>(84,132)</b>	<b>(318,188)</b>	<b>(735,123)</b>	<b>(1,008,881)</b>
<b>7.010 - Cash Balance July 1 (No Levies)</b>	<b>3,437,437</b>	<b>4,204,225</b>	<b>4,207,409</b>	<b>4,123,277</b>	<b>3,805,089</b>	<b>3,069,966</b>
<b>7.020 - Cash Balance June 30 (No Levies)</b>	<b>4,204,225</b>	<b>4,207,409</b>	<b>4,123,277</b>	<b>3,805,089</b>	<b>3,069,966</b>	<b>2,061,085</b>
		Reservations				
8.010 - Estimated Encumbrances June 30	378,873	150,000	150,000	150,000	150,000	150,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
<b>10.010 - Fund Bal June 30 for Cert of App</b>	<b>3,825,352</b>	<b>4,057,409</b>	<b>3,973,277</b>	<b>3,655,089</b>	<b>2,919,966</b>	<b>1,911,085</b>
<b>Rev from Replacement/Renewal Levies</b>						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
<b>12.010 - Fund Bal June 30 for Cert of Obligations</b>	<b>3,825,352</b>	<b>4,057,409</b>	<b>3,973,277</b>	<b>3,655,089</b>	<b>2,919,966</b>	<b>1,911,085</b>
<b>Revenue from New Levies</b>						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
<b>15.010 - Unreserved Fund Balance June 30</b>	<b>3,825,352</b>	<b>4,057,409</b>	<b>3,973,277</b>	<b>3,655,089</b>	<b>2,919,966</b>	<b>1,911,085</b>