

# Berkshire Local Schools

## October 2012 Forecast

### Financial Overview

- ✓ The District ended fiscal year 2012 with \$177,727 more than anticipated in the May 2012 forecast.
- ✓ The District continues in a deficit spending situation due to declining revenues.
- ✓ Revenues overall are predicted to decline by 2.52% from fiscal year 2012 amounts.
- ✓ Expenditures are forecasted to increase by 2.45% from fiscal year 2012 amounts.
- ✓ The District is forecasted to have a negative fund balance on June 30, 2014.

### Revenue Assumptions

Fiscal year 2013 is a precarious year due to many uncertainties. State funding for schools is based upon several factors all of which are subject to deliberations and approval of the Ohio General Assembly. The current biennial budget expires on June 30, 2013. Several income sources to schools are under much debate at the state level. They include:

- ***State Foundation Guarantee*** - Berkshire is currently under the State guarantee. This means that reductions in student enrollment will not decrease foundation revenues.
- ***Tangible Personal Property Reimbursement*** - Under the current law (HB 153) this money is guaranteed. However, there is much deliberation that funding source will be eliminated.
- ***Casino Tax Revenue*** - Casino tax revenue is included in the forecast based upon the current law legislating the allocation of casino revenues. While this money is assumed to supplement school funding, there is the thought that it will become supplanted revenue under the new budget bill. Amounts forecasted are based upon estimates provided by the Department of Taxation. Actual revenues could be increased or reduced based upon the earnings of the casinos.

The District will benefit from expanding the open enrollment to all grade levels for fiscal year 2013. Revenues are expected to increase by \$75,306. For fiscal year 2013, 16 students are open enrolled to Burton Elementary and 28 are enrolled to the High School. 28 students have enrolled in other school districts. Currently, the State provides \$5,700 for each open enrollee.

### Expenditure Assumptions

The District continues to monitor expenditures closely. Purchase services, capital outlay and transfers out are all expected to increase in fiscal year 2013. Purchase service is the most uncertain as it includes expenditures for utilities, transportation fuel and costs for special education services. All other categories are expected to decline from fiscal year 2012 levels.

# Berkshire Local Schools

Geauga County

Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Years Ended June 30, 2010, 2011 and 2012 Actual;  
Forecasted Fiscal Years Ending June 30, 2013 Through 2017

	Actual				Forecasted				
	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Average Change	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017
<b>Revenues</b>									
1.010 General Property Tax (Real Estate)	3,828,996	3,796,102	3,707,158	-1.6%	3,697,726	3,697,726	3,871,016	3,960,231	3,960,231
1.020 Tangible Personal Property Tax	278,038	274,759	273,027	-0.9%	277,545	277,545	277,545	277,545	277,545
1.030 Income Tax	1,577,032	1,626,657	1,748,433	5.3%	1,748,433	1,748,433	1,765,917	1,783,577	1,801,412
1.035 Unrestricted State Grants-in-Aid	3,014,121	2,887,601	2,879,392	-2.2%	2,893,154	2,893,154	2,893,154	2,893,154	2,893,154
1.040 Restricted State Grants-in-Aid	14,149	14,857	20,973	23.1%	0	0	0	0	0
1.045 Restricted Federal Grants-in-Aid - SFSF	203,005	407,340	4,339	0.9%	0	0	0	0	0
1.050 Property Tax Allocation	1,535,873	1,550,613	1,282,481	-8.2%	1,038,578	1,038,578	1,038,578	1,038,578	1,038,578
1.060 All Other Revenues	324,652	586,834	590,497	40.7%	634,393	679,879	686,515	683,221	683,221
1.070 <b>Total Revenues</b>	<b>10,775,866</b>	<b>11,144,763</b>	<b>10,506,300</b>	<b>-1.2%</b>	<b>10,289,829</b>	<b>10,335,315</b>	<b>10,532,725</b>	<b>10,636,306</b>	<b>10,654,141</b>
<b>Other Financing Sources</b>									
2.010 Proceeds from Sale of Notes	0	0	0	0.0%	0	0	0	0	0
2.020 State Emergency Loans and Advancements (Approved)	0	0	0	0.0%	0	0	0	0	0
2.040 Operating Transfers-In	139,122	71,100	0	-74.4%	0	0	0	0	0
2.050 Advances-In	350	10,000	180,116	2258.1%	135,000	50,000	50,000	50,000	50,000
2.060 All Other Financing Sources	9,900	17,228	13,686	26.7%	5,000	5,000	5,000	5,000	5,000
2.070 <b>Total Other Financing Sources</b>	<b>149,372</b>	<b>94,328</b>	<b>193,802</b>	<b>34.3%</b>	<b>140,000</b>	<b>55,000</b>	<b>55,000</b>	<b>55,000</b>	<b>55,000</b>
2.080 <b>Total Revenues and Other Financing Sources</b>	<b>10,925,238</b>	<b>11,239,091</b>	<b>10,700,102</b>	<b>-1.0%</b>	<b>10,429,829</b>	<b>10,390,315</b>	<b>10,587,725</b>	<b>10,691,306</b>	<b>10,709,141</b>
<b>Expenditures</b>									
3.010 Personal Services	6,054,040	5,990,291	5,964,837	-0.7%	5,835,177	5,878,941	5,923,033	5,967,456	6,012,212
3.020 Employees' Retirement/Insurance Benefits	1,728,906	1,935,777	1,775,324	1.8%	1,753,838	1,807,774	1,821,333	1,834,993	1,848,755
3.030 Purchased Services	1,621,643	1,962,174	2,098,266	14.0%	2,443,292	2,343,292	2,343,292	2,343,292	2,343,292
3.040 Supplies and Materials	370,556	391,159	261,858	-13.7%	325,640	325,000	325,000	325,000	325,000
3.050 Capital Outlay	719,409	99,023	41,218	-72.3%	89,066	114,066	114,066	114,066	114,066
3.060 Intergovernmental	0	0	0	0.0%	0	0	0	0	0
<b>Debt Service:</b>									
4.010 Principal-All (Historical Only)	0	0	0	0.0%	0	0	0	0	0
4.020 Principal-Notes	0	0	0	0.0%	0	0	0	0	0
4.030 Principal-State Loans	0	0	0	0.0%	0	0	0	0	0
4.040 Principal-State Advancements	0	0	0	0.0%	0	0	0	0	0
4.050 Principal-HB 264 Loans	0	0	0	0.0%	0	0	0	0	0
4.055 Principal-Other	0	0	0	0.0%	0	0	0	0	0
4.060 Interest and Fiscal Charges	0	0	0	0.0%	0	0	0	0	0
4.300 Other Objects	405,257	454,478	490,854	10.1%	467,825	475,000	475,000	475,000	475,000
4.500 <b>Total Expenditures</b>	<b>10,899,811</b>	<b>10,832,902</b>	<b>10,632,357</b>	<b>-1.2%</b>	<b>10,914,838</b>	<b>10,944,073</b>	<b>11,001,723</b>	<b>11,059,806</b>	<b>11,118,325</b>
<b>Other Financing Uses</b>									
5.010 Operating Transfers-Out	549,722	524,826	446,843	-9.7%	485,777	485,777	485,777	485,777	485,777
5.020 Advances-Out	350	6,000	180,116	2258.1%	135,000	50,000	50,000	50,000	50,000
5.030 All Other Financing Uses	0	0	0	0.0%	0	0	0	0	0
5.040 <b>Total Other Financing Uses</b>	<b>550,072</b>	<b>530,826</b>	<b>626,959</b>	<b>7.3%</b>	<b>620,777</b>	<b>535,777</b>	<b>535,777</b>	<b>535,777</b>	<b>535,777</b>
5.050 <b>Total Expenditures and Other Financing Uses</b>	<b>11,449,883</b>	<b>11,363,728</b>	<b>11,259,316</b>	<b>-0.8%</b>	<b>11,535,615</b>	<b>11,479,850</b>	<b>11,537,500</b>	<b>11,595,583</b>	<b>11,654,102</b>
6.010 <b>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</b>	<b>(524,645)</b>	<b>(124,637)</b>	<b>(559,214)</b>	<b>136.2%</b>	<b>(1,105,786)</b>	<b>(1,089,535)</b>	<b>(949,775)</b>	<b>(904,278)</b>	<b>(944,960)</b>
7.010 <b>Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies</b>	<b>3,306,826</b>	<b>2,782,181</b>	<b>2,657,544</b>	<b>-10.2%</b>	<b>2,098,330</b>	<b>992,544</b>	<b>(96,991)</b>	<b>(1,046,766)</b>	<b>(1,951,044)</b>
7.020 <b>Cash Balance June 30</b>	<b>2,782,181</b>	<b>2,657,544</b>	<b>2,098,330</b>	<b>-12.8%</b>	<b>992,544</b>	<b>(96,991)</b>	<b>(1,046,766)</b>	<b>(1,951,044)</b>	<b>(2,896,004)</b>
8.010 <b>Estimated Encumbrances June 30</b>	<b>30,261</b>	<b>104,331</b>	<b>211,057</b>	<b>173.5%</b>	<b>115,000</b>	<b>115,000</b>	<b>115,000</b>	<b>115,000</b>	<b>115,000</b>
<b>Reservation of Fund Balance</b>									
9.010 Textbooks and Instructional Materials				0.0%	0				
9.050 Debt Service				0.0%					
9.070 Bus Purchases				0.0%		0	0	0	0
9.080 <b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
10.010 <b>Fund Balance June 30 for Certification of Appropriations</b>	<b>2,751,920</b>	<b>2,553,213</b>	<b>1,887,273</b>	<b>-16.7%</b>	<b>877,544</b>	<b>(211,991)</b>	<b>(1,161,766)</b>	<b>(2,066,044)</b>	<b>(3,011,004)</b>
<b>Revenue from Replacement/Renewal Levies</b>									
11.010 Income Tax - Renewal				0.0%					
11.020 Property Tax - Renewal or Replacement	0	0	0	0.0%		0	0	0	0
11.300 <b>Cumulative Balance of Replacement/Renewal Levies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
12.010 <b>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</b>	<b>2,751,920</b>	<b>2,553,213</b>	<b>1,887,273</b>	<b>-16.7%</b>	<b>877,544</b>	<b>(211,991)</b>	<b>(1,161,766)</b>	<b>(2,066,044)</b>	<b>(3,011,004)</b>
15.010 <b>Unreserved Fund Balance June 30</b>	<b>2,751,920</b>	<b>2,553,213</b>	<b>1,887,273</b>	<b>-16.7%</b>	<b>877,544</b>	<b>(211,991)</b>	<b>(1,161,766)</b>	<b>(2,066,044)</b>	<b>(3,011,004)</b>
<b>ADM Forecasts</b>									
20.010 Kindergarten - October Count	62	62	62	0.0%	60	60	60	60	60
20.015 Grades 1-12 - October Count	1,015	1,021	977	-1.9%	954	907	869	829	829
<b>State Fiscal Stabilization Funds</b>									
21.010 Personal Services SFSF	83,542	21,568	0	-87.1%					
21.020 Employees Retirement/Insurance Benefits SFSF	3,468	48,207	0	595.0%					
21.030 Purchased Services SFSF	12,682	17,584	0	-30.7%					
21.040 Supplies and Materials SFSF	80,353	158,333	0	-1.5%					
21.050 Capital Outlay SFSF	20,761	2,200	0	-94.7%					
21.060 <b>Total Expenditures - SFSF</b>	<b>200,806</b>	<b>247,892</b>	<b>0</b>	<b>-38.3%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

See accompanying summary of significant forecast assumptions and accounting policies

Includes: General fund, Emergency Levy fund, DPIA fund, Textbook fund and any portion of Debt Service fund related to General fund debt

**Berkshire Local Schools**  
Schedule of Revenues, Expenditures and Changes in Fund Balances

	Actual Fiscal Year 2010	Actual Fiscal Year 2011	Actual Fiscal Year 2012	Forecasted Fiscal Year 2013	Forecasted Fiscal Year 2014	Forecasted Fiscal Year 2015	Forecasted Fiscal Year 2016	Forecasted Fiscal Year 2017
<b>Revenues</b>								
<b>General Property Tax (Real Estate)</b>	3,828,996	3,796,102	3,707,158	3,697,726	3,697,726	3,871,016	3,960,231	3,960,231
% of Change per year		-0.86%	-2.34%	-0.25%	0%	4.69%	2.30%	0.00%
\$\$ of Change per year		(32,894)	(88,944)	(9,432)	0	173,290	89,215	0
<b>Tangible Personal Property Tax</b>	278,038	274,759	273,027	277,545	277,545	277,545	277,545	277,545
% of Change per year		-1.18%	-0.63%	1.65%	0.00%	0.00%	0.00%	0.00%
\$\$ of Change per year		(3,279)	(1,732)	4,518	0	0	0	0
<b>Income Tax</b>	1,577,032	1,626,657	1,748,433	1,748,433	1,748,433	1,765,917	1,783,577	1,801,412
% of Change per year		3.15%	7.49%	0.00%	0.00%	1.00%	1.00%	1.00%
\$\$ of Change per year		49,625	121,776	0	0	17,484	17,659	17,836
<b>Unrestricted State Grants-in-Aid</b>	3,014,121	2,887,601	2,879,392	2,893,154	2,893,154	2,893,154	2,893,154	2,893,154
% of Change per year		-4.20%	-0.28%	0.48%	0.00%	0.00%	0.00%	0.00%
\$\$ of Change per year		(126,520)	(8,209)	13,762	0	0	0	0
<b>Restricted State Grants-in-Aid</b>	14,149	14,857	20,973	0	0	0	0	0
% of Change per year		5.00%	41.17%	-100.00%	0.00%	0.00%	0.00%	0.00%
\$\$ of Change per year		708	6,116	(20,973)	0	0	0	0
<b>Restricted Federal Grants-in-Aid - SFSF</b>	203,005	407,340	4,339	0	0	0	0	0
% of Change per year		100.66%	-98.93%	-100.00%	0.00%	0.00%	0.00%	0.00%
\$\$ of Change per year		204,335	(403,001)	(4,339)	0	0	0	0
<b>Property Tax Allocation</b>	1,535,873	1,550,613	1,282,481	1,038,578	1,038,578	1,038,578	1,038,578	1,038,578
% of Change per year		0.96%	-17.29%	-19.02%	0.00%	0.00%	0.00%	0.00%
\$\$ of Change per year		14,740	(268,132)	(243,903)	0	0	0	0
<b>All Other Revenues</b>	324,652	586,834	590,497	634,393	679,879	686,515	683,221	683,221
% of Change per year		80.76%	0.62%	7.43%	7.17%	0.98%	-0.48%	0.00%
\$\$ of Change per year		262,182	3,663	43,896	45,486	6,636	(3,294)	0
<b>Advances-In</b>	350	6,000	180,116	135,000	50,000	50,000	50,000	50,000
% of Change per year		1614.29%	2901.93%	-25.05%	-62.96%	0.00%	0.00%	0.00%
\$\$ of Change per year		5,650	174,116	(45,116)	(85,000)	0	0	0
<b>All Other Financing Sources</b>	9,900	17,228	13,686	5,000	5,000	5,000	5,000	5,000
% of Change per year		74.02%	-20.56%	-63.47%	0.00%	0.00%	0.00%	0.00%
\$\$ of Change per year		7,328	(3,542)	(8,686)	0	0	0	0
<b>Expenditures</b>								
<b>Personal Services</b>	6,054,040	5,990,291	5,964,837	5,835,177	5,878,941	5,923,033	5,967,456	6,012,212
% of Change per year		-1.05%	-0.42%	-2.17%	0.75%	0.75%	0.75%	0.75%
\$\$ of Change per year		(63,749)	(25,454)	(129,660)	43,764	44,092	44,423	44,756
<b>Employees' Retirement/Insurance Benefits</b>	1,728,906	1,935,777	1,775,324	1,753,838	1,807,774	1,821,333	1,834,993	1,848,755
% of Change per year		11.97%	-8.29%	-1.21%	3.08%	0.75%	0.75%	0.75%
\$\$ of Change per year		206,871	(160,453)	(21,486)	53,936	13,558	13,660	13,762
% of Personal Services		32.32%	29.76%	30.06%	30.75%	30.75%	30.75%	30.75%
<b>Purchased Services</b>	1,621,643	1,962,174	2,098,266	2,443,292	2,343,292	2,343,292	2,343,292	2,343,292
% of Change per year		21.00%	6.94%	16.44%	-4.09%	0.00%	0.00%	0.00%
\$\$ of Change per year		340,531	136,092	345,026	(100,000)	0	0	0
<b>Supplies and Materials</b>	370,556	391,159	261,858	325,640	325,000	325,000	325,000	325,000
% of Change per year		5.56%	-33.06%	24.36%	-0.20%	0.00%	0.00%	0.00%
\$\$ of Change per year		20,603	(129,301)	63,782	(640)	0	0	0
<b>Capital Outlay</b>	719,409	99,023	41,218	89,066	114,066	114,066	114,066	114,066
% of Change per year		-86.24%	-58.38%	116.09%	28.07%	0.00%	0.00%	0.00%
\$\$ of Change per year		(620,386)	(57,805)	47,848	25,000	0	0	0
<b>Other Objects</b>	405,257	454,478	490,854	467,825	475,000	475,000	475,000	475,000
% of Change per year		12.15%	8.00%	-4.69%	1.53%	0.00%	0.00%	0.00%
\$\$ of Change per year		49,221	36,376	(23,029)	7,175	0	0	0
<b>Operating Transfers-Out</b>	549,722.00	524,826.00	446,843.00	485,777.00	485,777.00	485,777.00	485,777.00	485,777.00
% of Change per year		-4.53%	-14.86%	8.71%	0.00%	0.00%	0.00%	0.00%
\$\$ of Change per year		(24,896)	(77,983)	38,934	0	0	0	0
<b>Advances-Out</b>	350.00	6,000.00	180,116.00	135,000.00	50,000.00	50,000.00	50,000.00	50,000.00
% of Change per year		1614.29%	2901.93%	-25.05%	-62.96%	0.00%	0.00%	0.00%
\$\$ of Change per year		5,650	174,116	(45,116)	(85,000)	0	0	0

***BERKSHIRE LOCAL SCHOOL DISTRICT ASSUMPTIONS***  
***Five Year Forecast – FY12 - FY17***

**REVENUES**

**1.010: Real Property Tax**

Real property tax is the largest source of revenue for the Berkshire Local School District. The district does not include delinquent taxes in the revenue forecast and the auditor certifies 98% of the collection on real property.

The District's FY13 tax revenue is based on the auditor's certificate of resources. Compared to FY12, the forecast is reflecting a decrease of \$9,432 in property tax revenue. Current outstanding delinquencies of real property total \$210,663 however due to the uncertainty of collection, this amount have not been included in the forecast. FY14 includes tax revenues totaling \$173,290 for a tax abatement on Great Lakes Cheese due to expire in 2013. FY15 includes tax revenues totaling \$89,215 for tax abatement on Saint Gobain due to expire in 2014.

**1.020: Personal Property Tax**

This line item includes Personal Property tax and Public Utility tax. Personal property tax revenue has been eliminated for non-utility producing entities. As a reminder, this is the result of the Ohio General Assembly tax restructuring policy adopted via HB66. The only remaining revenue in Line 1.02 will be Public Utility personal property tax. Current outstanding delinquencies for personal property total \$736.

**1.030: Income Tax**

The District added ¼ % in 2008 along with a change from a traditional tax to an earned income tax. The total tax is 1%. In FY12 the District experienced a \$121,776 or 7.49% increase in income tax receipts. The forecast reflects this increase in income taxes for FY13 plus a 1% increase each year beginning in FY15 through FY17. This line item will need to be revisited quarterly as it is an unpredictable revenue source due to the economy. Current outstanding delinquencies were not available as of the release of this forecast.

**Grants-In-Aid**

**1.035: Unrestricted Grants-in-Aid**

Unrestricted grants-in-aid represent funds received through the State Foundation statement settlements from the Ohio Department of Education (ODE). The State funding for schools is based on several factors all of which are subject to deliberations and approval of the Ohio General Assembly. School funding for fiscal year 2013 is based upon the current simulations by the ODE under the state's funding guarantee. Under the guarantee, drops in enrollment will not result in less funding unless the state lowers its 100% guaranteed funding threshold. State Foundation revenues for fiscal years 2014 to 2017 are presented at the same funding level as fiscal year 2013. This funding level may change when the next biennial budget and funding formula is determined.

**1.040: Restricted Grants-in-Aid**

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

**1.045: Restricted Federal Grants-in-Aid**

Restricted Federal Grants-in-Aid represents funding for Budget Stabilization (SFSF) through the federal stimulus monies and Education Jobs federal monies. These monies have been eliminated beginning FY12.

The following represents Grants-In-Aid past and future payments for the District:

	Actual				
	2008	2009	2010	2011	2012
Unrestricted	3,173,551	3,179,697	3,014,121	2,887,601	2,879,392
Restricted State	22,306	36,181	14,149	14,548	20,973
Restricted Federal - SFSF	-	-	203,005	245,692	-
Education Jobs				161,648	4,339
	<u>3,195,857</u>	<u>3,215,878</u>	<u>3,231,275</u>	<u>3,309,489</u>	<u>2,904,704</u>
	Estimated				
	2013	2014	2015	2016	2017
Unrestricted	2,893,154	2,893,154	2,893,154	2,893,154	2,893,154
Restricted State	-	-	-	-	-
Restricted Federal - SFSF	-	-	-	-	-
Education Jobs	-	-	-	-	-
	<u>2,893,154</u>	<u>2,893,154</u>	<u>2,893,154</u>	<u>2,893,154</u>	<u>2,893,154</u>

**1.050: Property Tax Allocation**

The property tax allocation represents the Homestead and Rollback reimbursement and the personal property replacement known as the Tangible Value Loss Replacement (TVLR) and SB3 Electric Deregulation. The forecast reflects the TVLR replacement to continue through FY17. It should be noted that this reimbursement is under much debate by the legislature and has the potential for elimination in future budget bills. Current funding is legislated through HB153 which expires at the end of fiscal year 2013.

SB3 deregulation, enacted in June 1999, made both regulatory and tax changes for electric and gas utilities. The changes resulted in reduced property tax revenues for schools. Losses were guaranteed to be reimbursed for five years. This reimbursement was discontinued in FY12

The following is a schedule of past and future reimbursements.

Property Tax Reimbursements

	Actual				
	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
Personal Property	492,076.97	257,276.95	18,261.99	-	-
Homestead	60,380.07	109,920.91	113,915.33	77,706.27	97,914.64
2 1/2 % Rollback	440,402.54	442,483.05	443,359.47	489,960.26	469,704.22
TVLR	537,201.79	713,149.00	900,443.91	910,725.29	710,655.00
SB3 Electric Dereg	72,028.79	71,922.48	72,135.60	72,221.07	4,208.00
<b>Total for Year</b>	<b>1,602,090.16</b>	<b>1,594,752.39</b>	<b>1,548,116.30</b>	<b>1,550,612.89</b>	<b>1,282,481.86</b>
	Estimated				
	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017
Personal Property	-	-	-	-	-
Homestead	81,839.00	81,839.00	81,839.00	81,839.00	81,839.00
2 1/2 % Rollback	450,000.00	450,000.00	450,000.00	461,598.00	461,598.00
TVLR	506,739.00	506,739.00	506,739.00	506,739.00	506,739.00
SB3 Electric Dereg					
<b>Total for Year</b>	<b>1,038,578.00</b>	<b>1,038,578.00</b>	<b>1,038,578.00</b>	<b>1,050,176.00</b>	<b>1,050,176.00</b>

**1.060: All Other Revenue**

This revenue line item includes all other local revenue, Medicaid reimbursements and interest earnings. The largest category is open enrollment income, currently estimated at \$228,000. This is an increase of \$75,306 over FY12 and is based on the number of students the District accepts. Currently the District receives \$5,700 per student. For FY14 through FY17, it is assumed that current open enrollment levels will be maintained.

FY13-FY17 revenue includes \$175,000 to be received from the Mental Retardation and Developmental Disabilities (MRDD) Agency. These monies are calculated based upon the number of special needs children that are categorized under MRDD guidelines. These monies are not guaranteed funding and are subject to enrollment numbers.

The District is currently undergoing a Medicaid audit that could potentially result in monies being held at the State of Ohio to be released based upon the audit. At this time the monies are estimated at \$150,000, however, due to the uncertainty of the release of these monies, they have not been included in the forecast.

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 \$21.40 per student for FY13, \$71.77 per student for FY14, and \$82.35 per student for FY15 and beyond.

**2.050: Advances In**

Advances In represents temporary movement of monies between funds.

**2.060: All Other Financing Sources**

This revenue line item represents other revenue sources such as sale and loss of Assets and refund of prior year expenditures.

**EXPENDITURES**

**3.010: Personal Services**

Forecasted salary and benefit 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 FY13.

Personnel Services include all salaries, substitutes, long term substitutes, certified extra classes, overtime costs. FY13 reflects the retirement of three certified staff.

**3.020: Employees' Retirement/Insurance Benefits**

Benefits include: retirement, Medicare, workers compensation, unemployment compensation, life insurance, health and dental insurance. Projected increases reflect increases in health insurance premiums and associated costs with step increases. Calculations for FY14 through FY16 are calculated based upon historical cost percentage of 30% of salaries.

**3.030: 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.

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**

Supplies and materials are comprised of textbooks, janitorial and transportation fuel and supplies costs.

**3.050: Capital Outlay**

For FY13, two new vans were purchased for pupil transportation purposes and two new seventy one passenger buses were leased for five years. FY14 through FY17 includes the lease payments from the FY13 purchase as well as lease payments for two additional buses. FY14 includes monies for the purchase of a new cargo van.

**4.300: Other Objects**

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

**5.010: Transfers**

The following represents the scheduled transfers from the general fund to various other funds:

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2016</u>
Self Insurance Fund	275,000	275,000	275,000	275,000	275,000
Cafeteria Fund	25,000	50,000	50,000	50,000	50,000
Termination Benefits Fund	135,777	106,000			
Athletics	25,000	25,000	25,000	25,000	25,000
Miscellaneous Funds	25,000	25,000	25,000	25,000	25,000
	<u>485,777</u>	<u>481,000</u>	<u>375,000</u>	<u>375,000</u>	<u>375,000</u>

The transfer to the Termination Benefits Fund represents a set-aside for future severance payments for exiting employees upon their retirement. The amount was derived from the accrual calculation in the preparation of financial statements.

**5.020: Advances-Out**

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.

**8.010: Encumbrances**

Encumbrances are projected not to change each fiscal year. The FY13 through FY16 carryover encumbrances are based upon historical average amounts.

**9.010: Budget Reserve**

At this time, there is no budget reserve.

**NOTICE**

**The district's five-year forecast is based on the above assumptions known at this point in time. As with all forecasting models, operating fiscal results of each fiscal year will change if the original assumptions are modified. The five-year forecast includes only the General Fund and SFSF monies.**