



**Akron Public
Schools.**

Five Year Forecast Financial Report

May, 2019

Ryan Pendleton, CFO

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

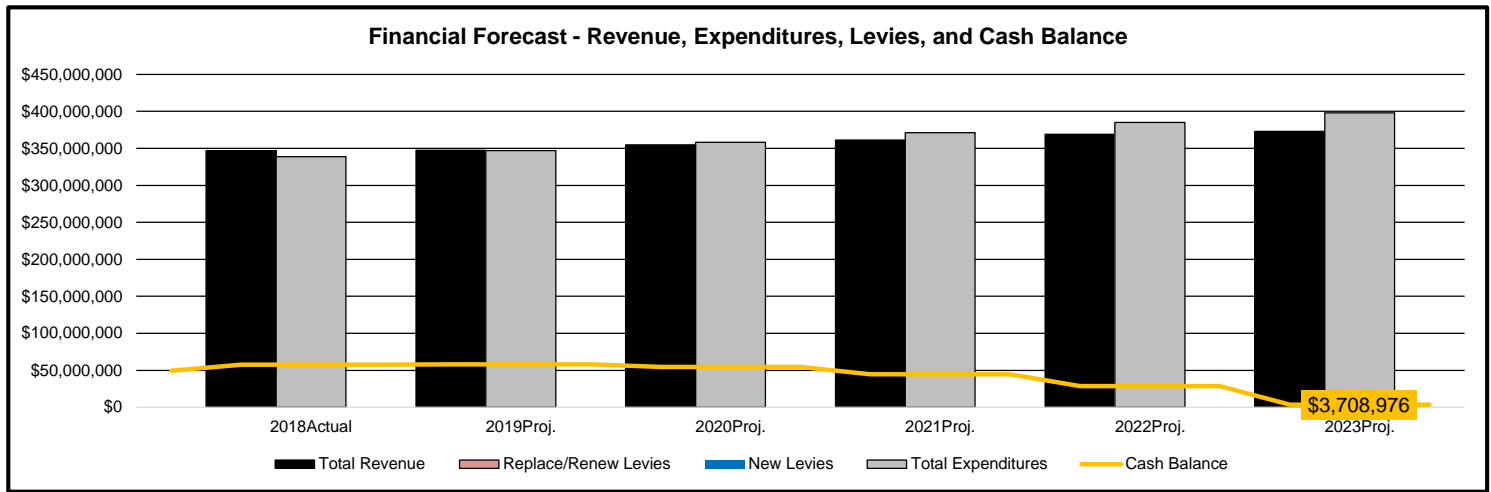
Forecast Purpose/Objectives

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



Akron Public Schools

Financial Forecast

Financial Forecast	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Beginning Balance	57,459,579	57,986,135	54,640,993	44,755,455	28,765,665
+ Revenue	347,592,292	354,905,410	361,236,938	368,956,939	372,926,934
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(347,065,736)	(358,250,552)	(371,122,476)	(384,946,729)	(397,983,623)
= Revenue Surplus or Deficit	526,556	(3,345,142)	(9,885,538)	(15,989,790)	(25,056,689)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	57,986,135	54,640,993	44,755,455	28,765,665	3,708,976

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	526,556	(3,345,142)	(9,885,538)	(15,989,790)	(25,056,689)
Ending Balance w/o Levies	57,986,135	54,640,993	44,755,455	28,765,665	3,708,976

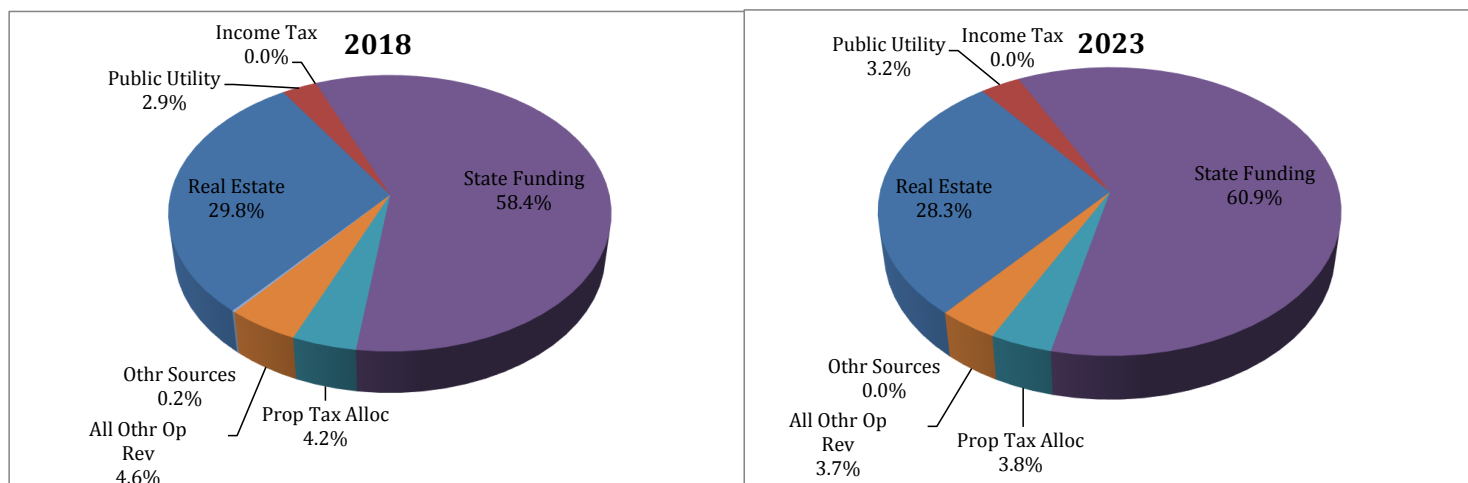
Once again, the District has been able to balance the budget. Through the active management of the Superintendent, Board and Administrative team we have delivered on the promise to shift operations dollars to instruction.

The District's May 2019 forecast indicates continued trend toward increasing revenue shortfall (yellow highlighted line), however we continue to push for efficiencies. Local property values have never recovered from pre-2008 levels which accounts for 30% of the District's revenue. These conditions adversely impact local tax revenue and state per pupil funding. As a result revenue is projected to grow at an average annual pace of 1.50%, while projected expenditures are expected to grow at an average annual rate of 3.48%.

Also included in this forecast is the I Promise School (IPS) with a cumulative cost through FY 2022 of \$8,110,745 which is partially offset by the central office consolidated that is expected to save \$3,113,435 through FY 2022. The current financial forecast also includes the FY 2018 building closure effort, and despite the effort, a trend toward revenue shortfall remains. Revenue growth is not expected to keep pace with inflationary cost pressure. Adding to the District's balanced budget pressures is the lack of permanent improvement funding available. As discussed throughout this last school year, plans need to be developed involving general fund to address physical infrastructure.

The District's ability to avoid negative cash balance reserves will be most likely impacted by increased inflationary pressure on expenditures and increases in, or decreases in, state of Ohio per pupil funding.

Revenue Sources and Forecast Year-Over-Year Projected Overview



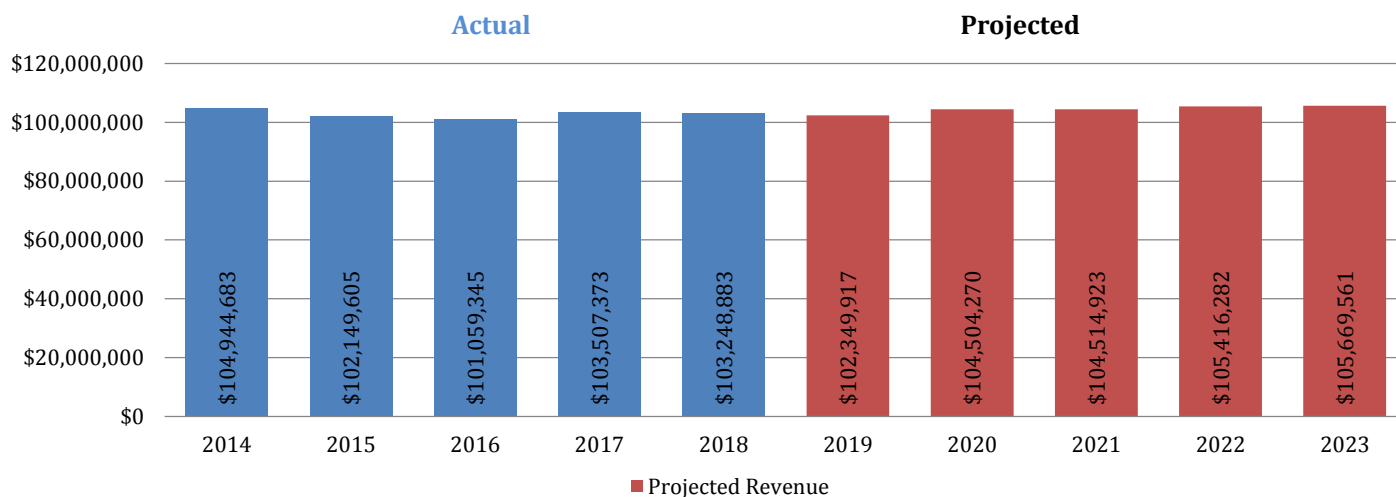
	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Revenue:							
1.010-Real Estate	2.90%	-0.87%	2.10%	0.01%	0.86%	0.24%	0.47%
1.020-Public Utility	8.65%	4.25%	4.04%	3.01%	2.96%	2.98%	3.45%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	3.67%	0.08%	3.45%	3.20%	3.43%	1.68%	2.37%
1.040-Restricted Aid	148.25%	11.68%	0.05%	1.02%	-1.02%	-0.14%	2.32%
1.045-Restr Federal SFSF	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-5.39%	-0.64%	-0.23%	-0.01%	-0.01%	-0.13%	-0.20%
1.060-All Other Operating	13.45%	-7.12%	-8.00%	-1.51%	1.45%	0.73%	-2.89%
1.070-Total Revenue	4.31%	0.34%	2.17%	1.78%	2.14%	1.08%	1.50%
2.070-Total Other Sources	1096.84%	-64.70%	-100.00%	0.00%	0.00%	0.00%	-82.35%
2.080-Total w/Other Srcs	4.35%	0.22%	2.10%	1.78%	2.14%	1.08%	1.46%

The District is heavily dependent upon per pupil funding from the State of Ohio. The state's share of total revenue in FY 2018 was 58.4% and is projected to grow to 60.9% in FY 2023. The line item is projected to experience only modest growth through FY 2023 according to currently legislated parameters.

The District's real estate revenue continues to be constrained by lack of local property value inflation.

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	103,248,883	102,349,917	104,504,270	104,514,923	105,416,282	105,669,561
YOY \$ Change	(258,490)	(898,966)	2,154,353	10,653	901,359	253,279
YOY % Change	-0.2%	-0.9%	2.1%	0.0%	0.9%	0.2%

Percentage of Total Revenue	29.8%	29.4%	29.4%	28.9%	28.6%	28.3%

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	2,185,345,440	4,130,240	51.67	(0.68)	62.79	2.49	98.2%
2018	2,203,301,720	17,956,280	51.74	0.07	62.61	(0.19)	97.4%
2019	2,199,175,868	(4,125,852)	51.90	0.17	62.84	0.23	97.3%
2020	2,249,597,317	50,421,449	50.73	(1.17)	62.27	(0.57)	98.4%
2021	2,245,192,518	(4,404,800)	50.89	0.16	62.56	0.29	98.4%
2022	2,239,969,681	(5,222,837)	51.08	0.19	62.84	0.29	98.4%

Real estate tax revenue is providing almost 30% of total revenue in FY 2019. The revenue is driven by three key factors: property values, tax rates, and the payment or collection rate of taxes billed. With respect to property values the District has experienced decline in taxable values in the last several years in response to the great recession. Residential property (69% of the District's total property valuation) declined 17.2% from 2009 through 2016.

Residential values increased just 1.4% in tax year 2017 in response to the county's valuation review. This small amount of growth in the 2017 tax year is expected to be followed by small declines in 2018 and 2019. A 2.5% increase is projected in 2020 when the county will be conducting its reappraisal of all property.

While only about 31% of the total real estate valuation Class II (business) property increased \$20,354,210 for new construction in 2018 for 2019 collections. Overall though, the District's property values remain economically depressed relative to the state of Ohio as a whole.

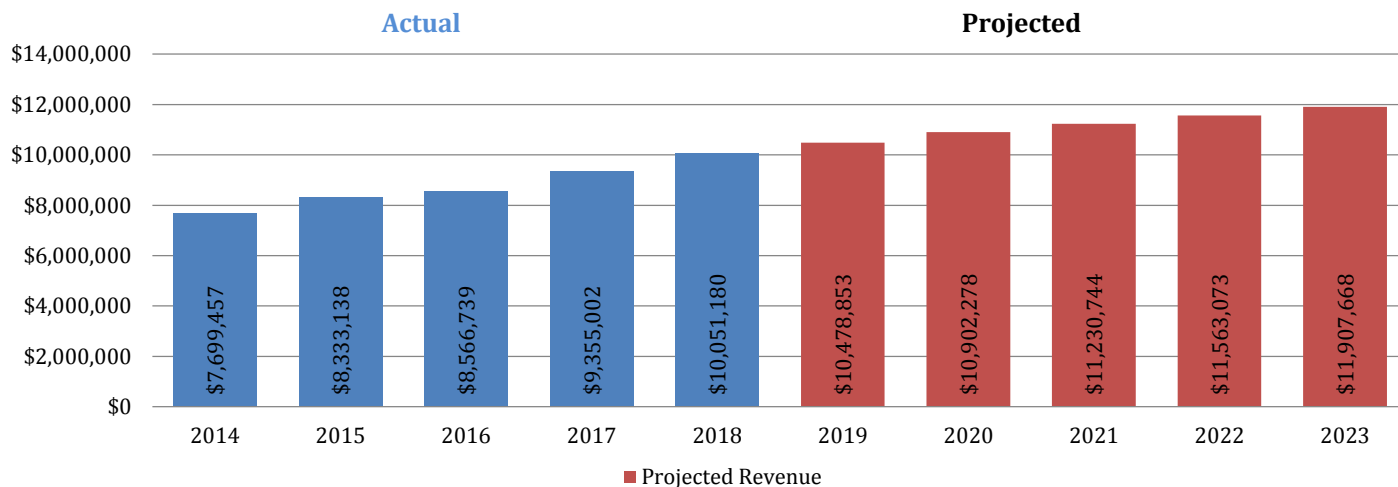
The District's taxpayers approved a new levy in 2012 which helped maintain revenue through the declining valuations.

The District's gross (current + prior year delinquencies paid) averages 98% over time. There was some acceleration of taxpayer payments in response to federal tax law changes that improved first half collections for FY 2018 which reduced second half collections in FY 2019.

**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	10,051,180	10,478,853	10,902,278	11,230,744	11,563,073	11,907,668
YOY \$ Change	696,177	427,673	423,425	328,466	332,329	344,595
YOY % Change	7.4%	4.3%	4.0%	3.0%	3.0%	3.0%

Percentage of Total Revenue	2.9%	3.0%	3.1%	3.1%	3.1%	3.2%
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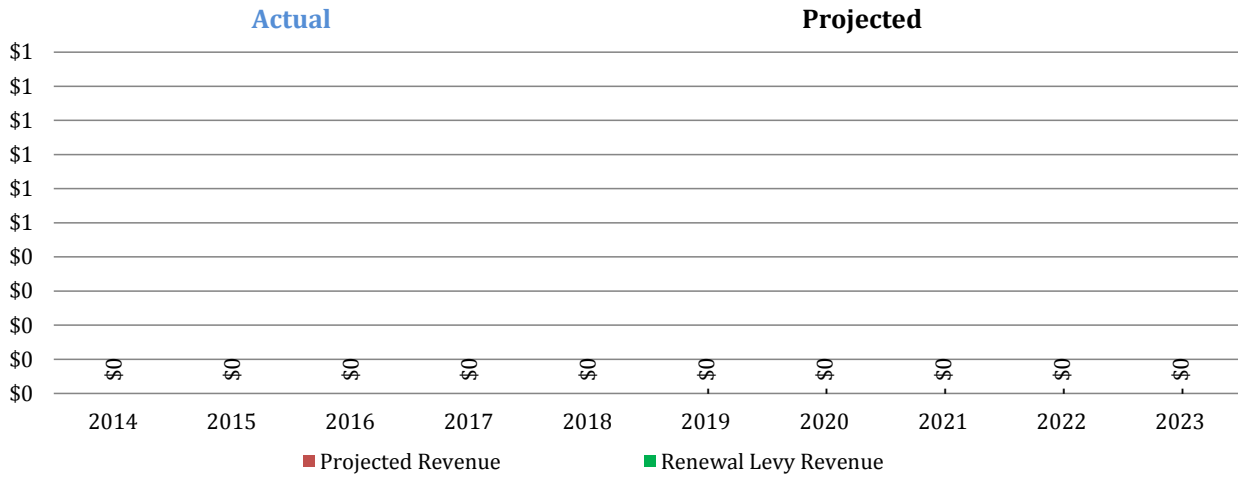
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2017	134,200,040	4,048,690	76.00	-	100.0%
2018	141,436,250	7,236,210	76.00	-	100.0%
2019	145,618,891	4,182,641	76.00	-	100.0%
2020	149,927,012	4,308,121	76.00	-	100.0%
2021	154,364,376	4,437,364	76.00	-	100.0%
2022	158,995,308	4,630,931	76.00	-	100.0%

Public utility tax revenue is 2.9% of the District's revenue, but is expected to grow 3.1% (average) per year in 2018 through 2021. The growth is attributable to ongoing infrastructure investment by power and gas companies. The 2018 actual values grew \$7,236,210 which is representative of public utility reinvestment in infrastructure.

*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.



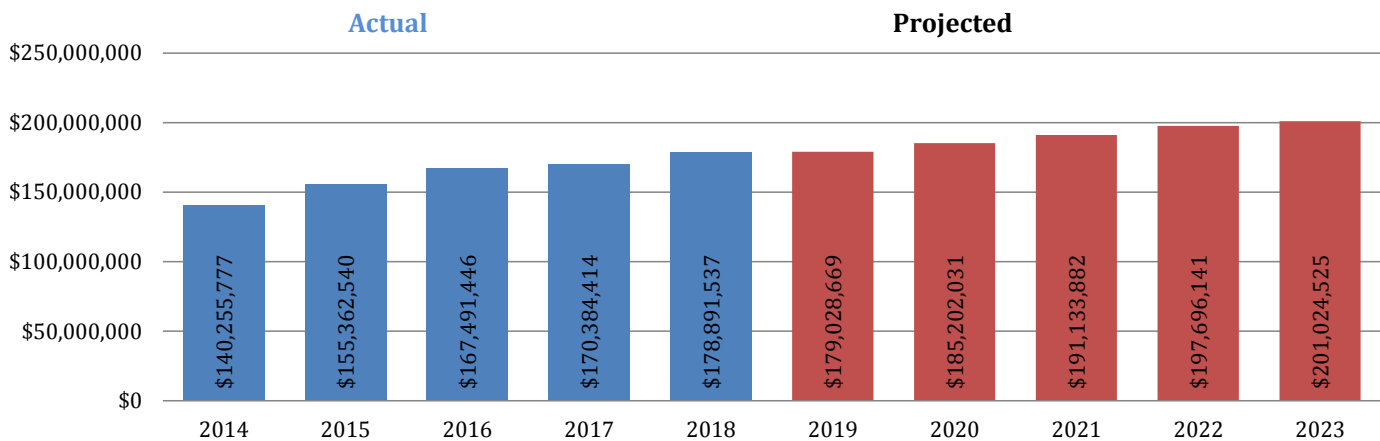
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	-	-	-	-	-	-
YOY \$ Change	-	-	-	-	-	-
YOY % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

The District does not have an income tax.

**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	178,891,537	179,028,669	185,202,031	191,133,882	197,696,141	201,024,525
YOY \$ Change	8,507,123	137,132	6,173,362	5,931,851	6,562,259	3,328,384
YOY % Change	5.0%	0.1%	3.4%	3.2%	3.4%	1.7%
Percentage of Total Revenue	51.6%	51.5%	52.2%	52.9%	53.6%	53.9%
Core Funding Per Pupil	6,010	6,020	6,050	6,100	6,150	6,200
State Share Index (SSI)	72.4%	72.4%	74.2%	74.2%	76.7%	76.7%
State Core Funding Per Pupil	4,349	4,356	4,492	4,529	4,714	4,752
Formula ADM (Funded Student Count)	26,528	26,286	26,505	26,348	26,359	26,085
Funding Status	Capped	Formula	Capped	Capped	Capped	Capped

The state's per pupil funding formula generates 51.6% of the District's revenue.

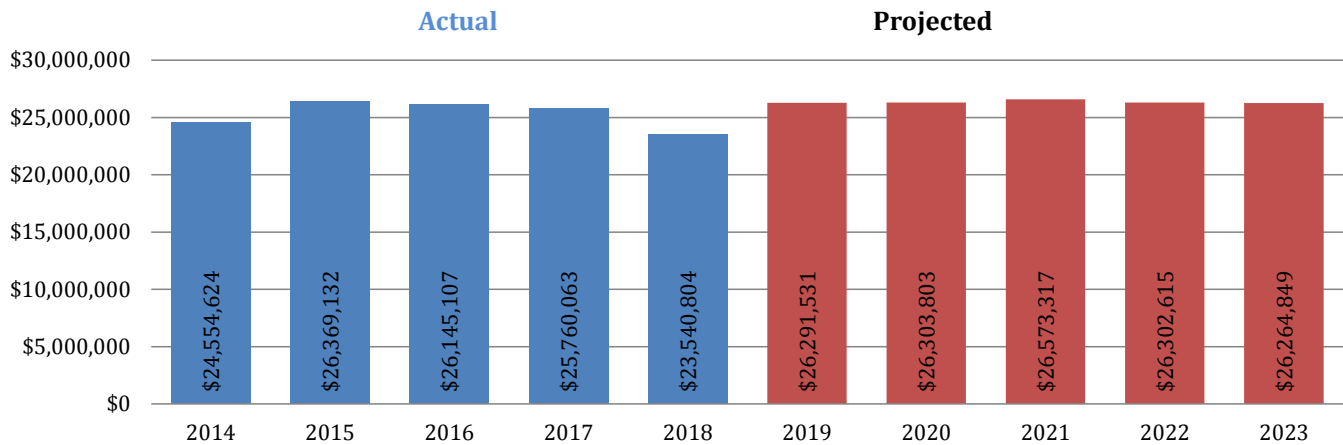
The District's state share formula calculation in FY 2019 is 72.4%, which provided \$4,356 of the state's FY 2018 core statewide aid per pupil of \$6,020. The District's state share index is projected to increase to 74.3% in FY 2020 and FY 2021 and is expected to increase to 76.6% in FY 2022 and FY 2023. The growth in state share under the current state formula is attributable to relatively stable enrollment and depressed property values relative to the state of Ohio as a whole.

The forecast assumes some drop in formula enrollment through FY 2023 but at a subdued decline relative to the past several years. The District could generate additional funding if its enrollment exceeds the funded estimates. The forecast assumes a 3.0% year-over-year change in the legislative cap on growth in funding. Unless the enrollment outperforms what is projected, then the imposed cap will have minimal impact. The calculations will be monitored on a semi-annual basis. Casino revenue is estimated at \$49.50 per pupil, and is projected to be \$1.0 million in FY 2019.

FY 2019 is the second year of the state's two-year budget. The State of Ohio is contemplating a new per pupil funding formula starting July 1, 2019. The formula is referred to as the Fair School Funding Plan (FSFP). The proposal as simulated would track similarly to the year-over-year increases already calculated and included in the forecast from the current formula. If the plan is adopted a more detailed calculation will be conducted for FY 2020 through FY 2023.

1.040 & 1.045 - Restricted Grants-in-Aid

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



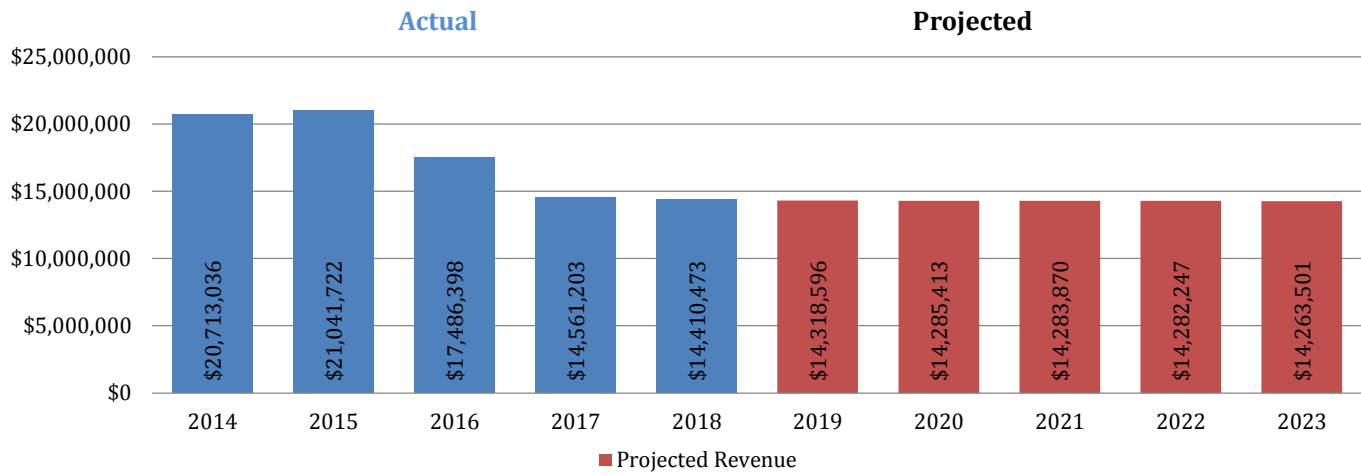
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	23,540,804	26,291,531	26,303,803	26,573,317	26,302,615	26,264,849
YOY \$ Change	(2,219,259)	2,750,727	12,272	269,514	(270,702)	(37,766)
YOY % Change	-8.6%	11.7%	0.0%	1.0%	-1.0%	-0.1%
Percentage of Total Revenue	6.8%	7.6%	7.4%	7.4%	7.1%	7.0%
Economic Disadvantaged Funding	21,500,960	22,273,036	22,046,115	22,256,003	21,924,780	21,825,585
Percentage of Disadvantaged Students	90.0%	89.9%	90.0%	90.0%	90.0%	90.0%

Restricted category is primarily 'economic disadvantaged' funding. Economic disadvantaged funding totaled \$22.3 million in FY 2019, and it is primarily driven by the District's relatively high student poverty level. In 2019, 90.0% of the District's students were identified as economic disadvantaged, compared to the state as a whole that had an average of 48.60% (FY 2018). Career Technical Education funding of \$4.0 million (FY 2019) is also included in the restricted category.

These two categories of the state's per pupil funding calculation are projected to remain relatively stable through FY 2023.

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	14,410,473	14,318,596	14,285,413	14,283,870	14,282,247	14,263,501
YOY \$ Change	(150,730)	(91,877)	(33,183)	(1,543)	(1,623)	(18,746)
YOY % Change	-1.0%	-0.6%	-0.2%	0.0%	0.0%	-0.1%
Percentage of Total Revenue	4.2%	4.1%	4.0%	4.0%	3.9%	3.8%
% of Residential Real Estate 10% Rollback	9.96%	9.96%	9.96%	9.96%	9.96%	9.96%
% of Residential Real Estate 2.5% Rollback	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%
% of Residential Real Estate Homestead	5.66%	5.66%	5.66%	5.66%	5.66%	5.66%

Property tax allocation is now just 4.2% of the District's revenue after dropping consistently over the past few years. The category has declined significantly from its 2011 level because of the state's elimination of reimbursement for lost local personal property tax revenue.

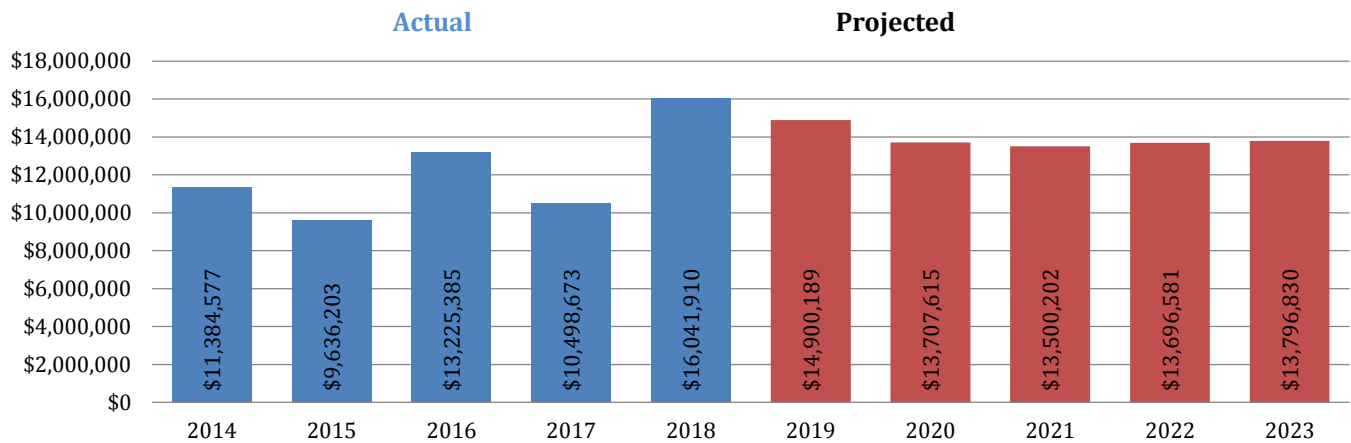
Today, this category includes only the state's reimbursements known as "rollback" and "homestead." These reimbursements reduce local taxpayer real estate tax obligations and track with residential real estate projections.

Historical Note: In addition to reimbursements for local residential real estate taxes, Akron also received reimbursement for Ohio's 2005 tax reform that eliminated local taxes on tangible personal property (equipment, inventory, etc.). This reimbursement was cut to \$5,652,518 in 2015, and was phased-out to \$0 in FY 2017. It is this cut in state reimbursement that has partially offset initial funding gains from the state funding formula. The cut in reimbursement also explains the decline in the historical revenue bars above.

**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	16,041,910	14,900,189	13,707,615	13,500,202	13,696,581	13,796,830
YOY \$ Change	5,543,238	(1,141,721)	(1,192,574)	(207,413)	196,379	100,249
YOY % Change	52.8%	-7.1%	-8.0%	-1.5%	1.5%	0.7%
Percentage of Total Revenue	4.6%	4.3%	3.9%	3.7%	3.7%	3.7%

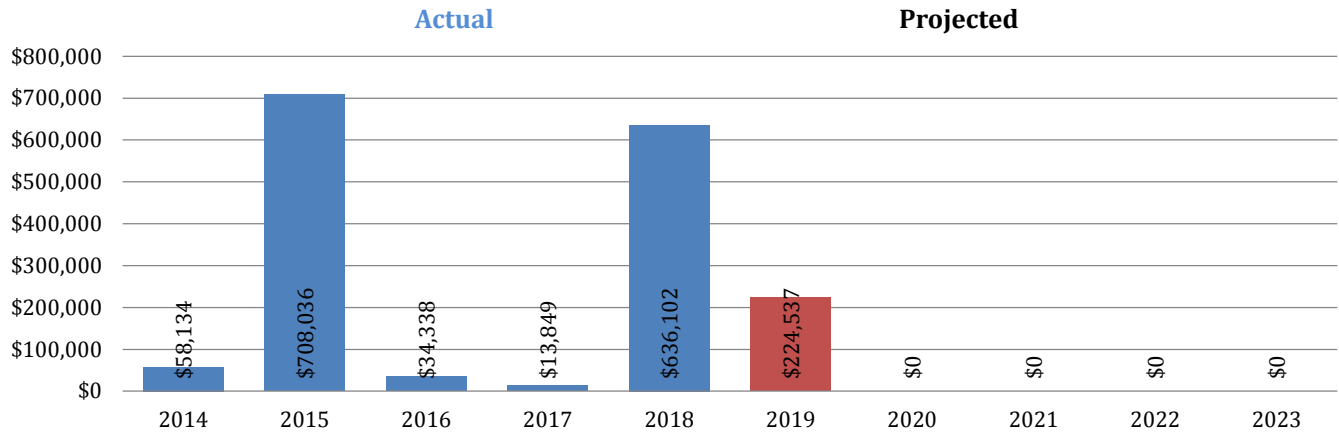
At 4.6%, the "other operating" category included open enrollment tuition at \$4,181,212 in FY 2019. Medicaid reimbursement is expected to total \$2.8 million in FY 2019.

Business and payments in lieu of taxes (abatements and Tax Incentive Financings) totaled \$2,862,969 in FY 2019. The timing and amount of these payments have been volatile and fluctuating over the past several years. The District and the City of Akron are working to establish the base annual level of revenue plus address arrearage issue. The FY 2018 revenue was inflated by payments totaling an additional \$3,045,362 as the City of Akron caught up on past payments.

Other revenue also includes investment earnings expected to be \$1,300,000 in FY 2019.

2.070 - Total Other Financing Sources

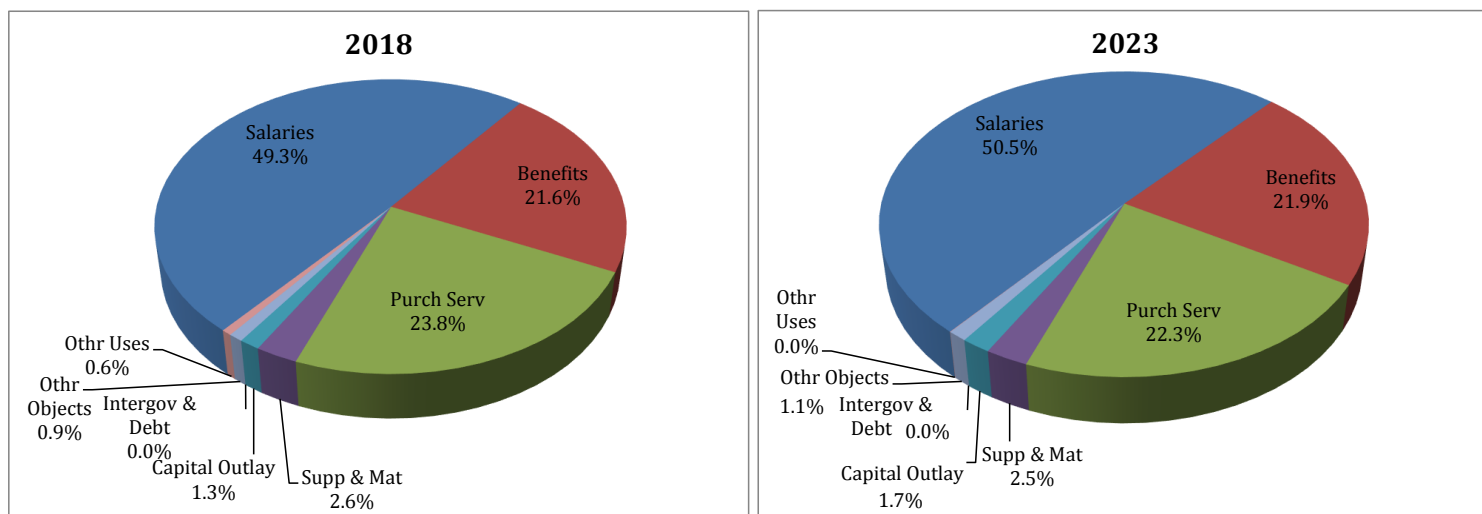
Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	636,102	224,537	-	-	-	-
YOY \$ Change	622,253	(411,565)	(224,537)	-	-	-
YOY % Change	4493.0%	-64.7%	-100.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%
Transfers In	578,702	-	-	-	-	-
Advances In	-	-	-	-	-	-

The other sources category is minimal and includes irregular items such as Bureau of Workers' Compensation premium refunds, advances back to the general fund from other funds, and miscellaneous other refunds.

Expenditure Categories and Forecast Year-Over-Year Projected Overview

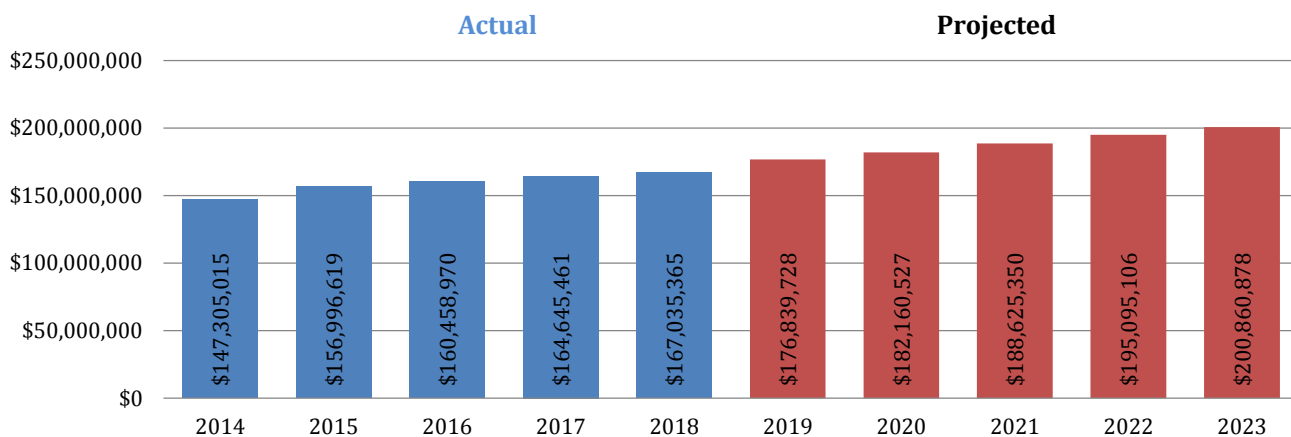


	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Expenditures:							
3.010-Salaries	2.35%	5.87%	3.01%	3.55%	3.43%	2.96%	3.76%
3.020-Benefits	2.18%	-1.70%	3.52%	5.03%	5.86%	5.37%	3.61%
3.030-Purchased Services	4.78%	-1.77%	3.82%	2.61%	2.65%	2.63%	1.99%
3.040-Supplies & Materials	9.28%	-1.50%	3.56%	3.83%	3.83%	3.84%	2.71%
3.050-Capital Outlay	75.45%	50.40%	0.00%	2.00%	2.04%	2.07%	11.30%
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	-1.78%	41.92%	1.39%	1.39%	1.40%	1.32%	9.49%
4.500-Total Expenditures	3.02%	3.09%	3.24%	3.59%	3.73%	3.39%	3.41%
5.040-Total Other Uses	115.49%	-91.48%	-27.28%	0.00%	0.00%	0.00%	-23.75%
5.050-Total w/Other Uses	3.14%	2.50%	3.22%	3.59%	3.72%	3.39%	3.29%

Total expenditures are projected to increase at an average annual rate of 3.29% through FY 2023. The growth is in line with the most recent five year average annual change. While the growth is restrained the District's revenue is unable to keep up.

3.010 - Personnel Services

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



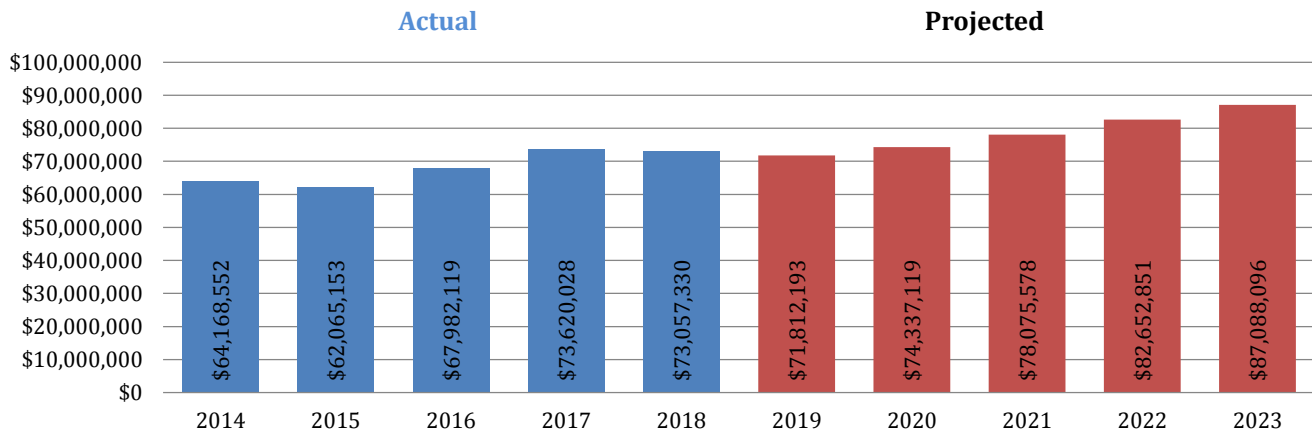
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	167,035,365	176,839,728	182,160,527	188,625,350	195,095,106	200,860,878
YOY \$ Change	2,389,904	9,804,363	5,320,799	6,464,823	6,469,756	5,765,772
YOY % Change	1.5%	5.9%	3.0%	3.5%	3.4%	3.0%
Percentage of Total Budget	49.3%	51.0%	50.8%	50.8%	50.7%	50.5%

Salaries are projected to be half of the District's total expenditures in FY 2019. The District cut costs in FY 2012, and the decline in salary cost continued through FY 2014. In FY 2015 the District's salary costs increased by 6.58%. Through FY 2016, salary costs remained below the FY 2011 level of \$162,371,841. Past growth was contained, in part, because of building closures, including FY 2018 closings. The current forecast reflects continued increases that reflect inflationary trend, the addition of the I Promise School and savings from the central office consolidation.

The forecast also reflects retirement/replacement savings of approximately \$1.5 million per year, additional replacements could result in lower cost while fewer replacements than modeled will increase salary expense.

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	73,057,330	71,812,193	74,337,119	78,075,578	82,652,851	87,088,096
YOY \$ Change	(562,698)	(1,245,137)	2,524,926	3,738,459	4,577,273	4,435,245
YOY % Change	-0.8%	-1.7%	3.5%	5.0%	5.9%	5.4%
Percentage of Total Budget	21.6%	20.7%	20.8%	21.0%	21.5%	21.9%

The third largest spending category is fringe benefits at 22.6%. Fringe benefit costs have increased at a rate of 2.18% annually over the past five years. Increases in cost would have been greater had there not been staffing reductions. The single biggest contributor to increases in benefits is for health insurance.

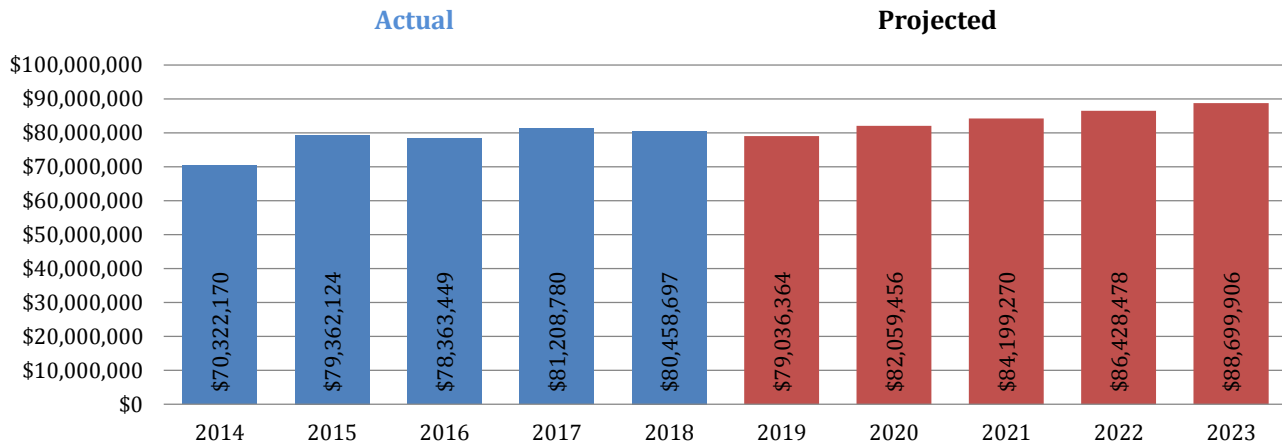
The fringe benefit costs are projected to increase 4.4% annually, on average, through FY 2023. The District's plan design changes and current claims results, coupled with strong reserves, has reduced projected cost increases.

Health insurance premiums were 60.1% of total benefit costs in FY 2017, and totaled \$44.26 million. Health insurance premium costs decreased to \$43,282,479 in FY 2018 as reserves remained stable. Because of an improvement in actual health care claims and plan design changes, health insurance premiums are now projected to decrease -4.0% or \$1.7 million in FY 2019. The reserve funds have remained strong and future year-over-year premium increases are subdued in response to the fund's balance. Each year the reserve balance and premium level will be reviewed, and if warranted, changes will be made to the financial projections.

Benefit costs also reflect reductions associated with 2017 and 2018 building closures and staffing reductions, as well as additional staff.

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	80,458,697	79,036,364	82,059,456	84,199,270	86,428,478	88,699,906
YOY \$ Change	(750,083)	(1,422,333)	3,023,092	2,139,814	2,229,208	2,271,428
YOY % Change	-0.9%	-1.8%	3.8%	2.6%	2.6%	2.6%
Percentage of Total Budget	23.8%	22.8%	22.9%	22.7%	22.5%	22.3%

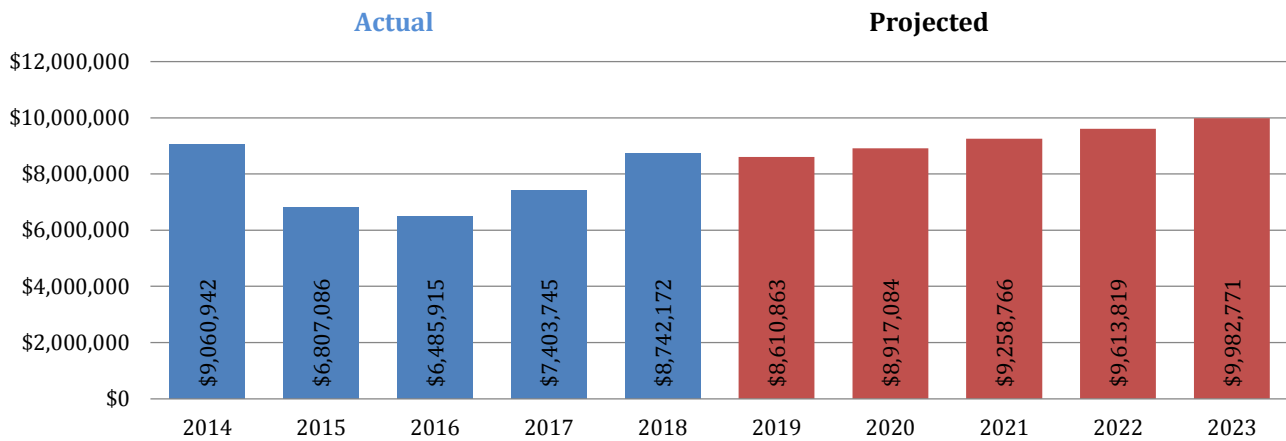
Purchased services are almost one-fourth of the District's operating budget. Tuition paid to community schools and others make-up 74% of the purchased services category. The District paid \$26,958,432 to community schools in FY 2018, which was down from FY 2017's \$27,641,807 amount, the FY 2019 amount is expected to total \$25,740,144. Vouchers totaled \$9,612,787 in FY 2018 which was a 16.1% increase over FY 2017's \$8,280,537 level, vouchers total \$9,424,916 in FY 2019. Open enrollment, and special education and regular education tuition paid through ODE's SF14 and SF14H program is expected to decrease about \$500,000 from the FY 2018 level.

All tuition totaled \$56,143,085 in FY 2016, \$59,765,168 in FY 2017, \$59,282,612 in FY 2018 is projected to total \$56,737,069 in FY 2019 which will serve as a basis for FY 2020 through FY 2023.

Utilities and other building services totaled \$8,759,494 in FY 2018 and are expected to total \$9,511,000 in FY 2019. Transportation totaled \$6,681,886 in FY 2018 and is projected to grow 3.5% per year through FY 2023.

3.040 - Supplies & Materials

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



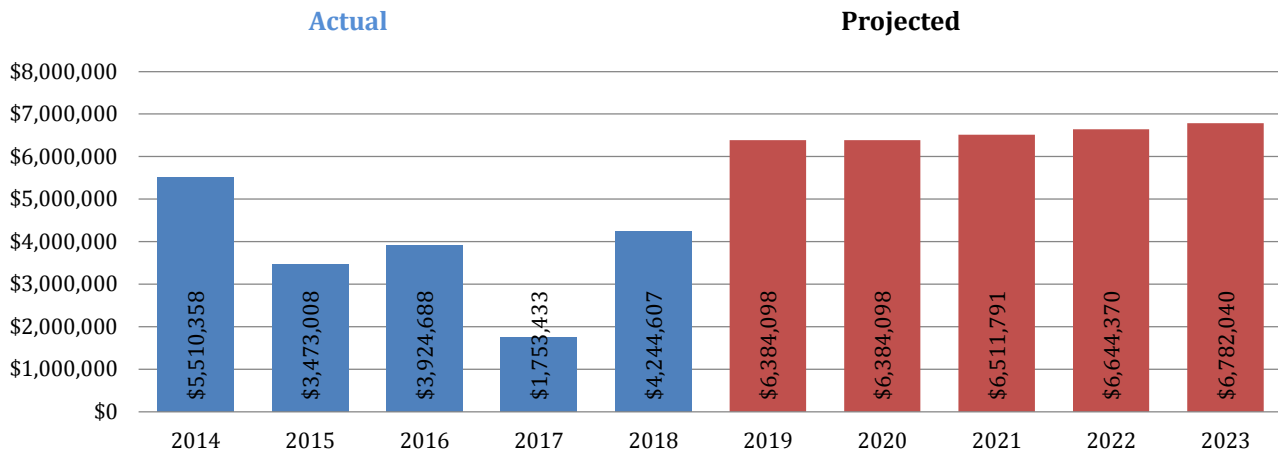
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	8,742,172	8,610,863	8,917,084	9,258,766	9,613,819	9,982,771
YOY \$ Change	1,338,427	(131,309)	306,221	341,682	355,053	368,952
YOY % Change	18.1%	-1.5%	3.6%	3.8%	3.8%	3.8%
Percentage of Total Budget	2.6%	2.5%	2.5%	2.5%	2.5%	2.5%

The District maintained supplies (including instructional) at 2.6% of the District's budget in FY 2018, which is up slightly from FY 2017's 2.2% level. The forecast projects FY 2019 through FY 2023 expenditures for supplies will remain at 2.5% of the total annual budget.

The projected FY 2019 level serves as the basis for FY 2020 through FY 2023. If the District does not utilize these forecasted amounts then the District's cash balance could improve. Decisions will be made annually regarding the need to adjust the level of funding up or down based upon budget constraints and program needs. Naturally, changes would impact the forecasted amounts.

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	4,244,607	6,384,098	6,384,098	6,511,791	6,644,370	6,782,040
YOY \$ Change	2,491,174	2,139,491	-	127,693	132,579	137,670
YOY % Change	142.1%	50.4%	0.0%	2.0%	2.0%	2.1%
Percentage of Total Budget	1.3%	1.8%	1.8%	1.8%	1.7%	1.7%

The District's investment in capital expenditures increased in FY 2018. The FY 2018 expenses included \$1,620,000 for building repairs and services. Bus and vehicle purchases totaled \$1,580,000 and other equipment totaled approximately \$900,000.

The District's FY 2019 level is being used as a basis for FY 2020 through FY 2023. However, building repairs are being analyzed and additional amounts may need to be added to the forecast to address the unmet repairs. The District will review the conclusions and recommendations from the building repair analysis during FY 2019 which could cause a change to this forecasted line item.

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.

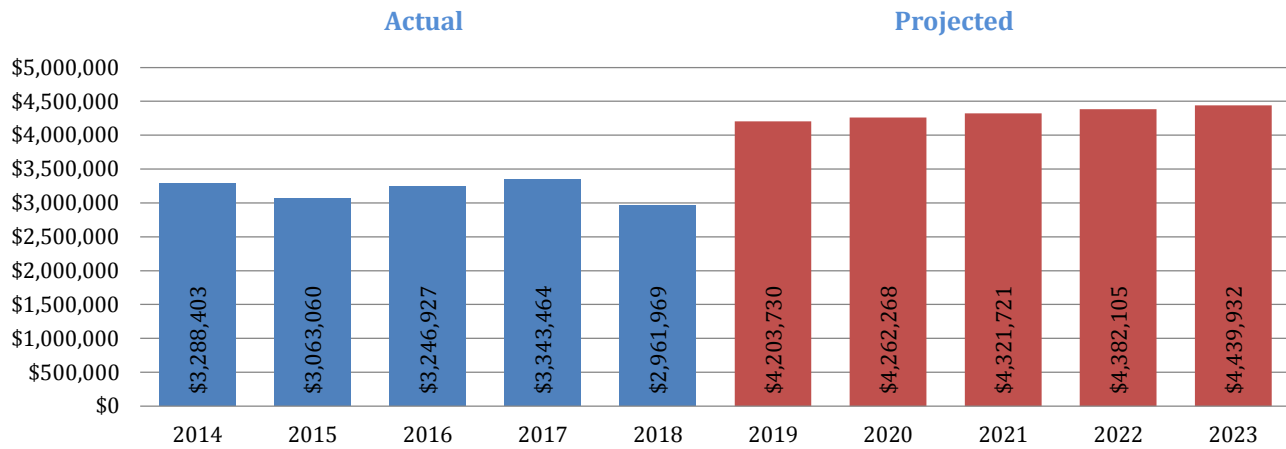
	Actual					Projected				
\$1										
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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023

	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%

The District does not have any debt payments impacting the general operating fund.

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.

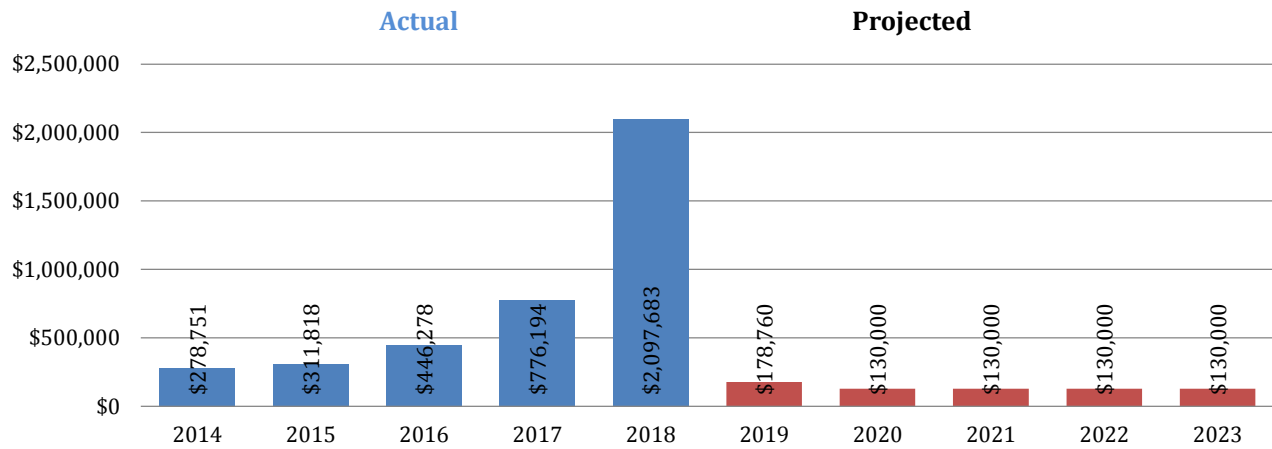


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	2,961,969	4,203,730	4,262,268	4,321,721	4,382,105	4,439,932
YOY \$ Change	(381,495)	1,241,761	58,538	59,453	60,384	57,827
YOY % Change	-11.4%	41.9%	1.4%	1.4%	1.4%	1.3%
Percentage of Total Budget	0.9%	1.2%	1.2%	1.2%	1.1%	1.1%

Other objects includes county auditor and treasurer fees and are expected to remain slightly under 1.0% of the total annual budget.

5.040 - Total Other Financing Uses

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



	2018	2019	2020	FORECASTED		
	2018	2019	2020	2021	2022	2023
Total	2,097,683	178,760	130,000	130,000	130,000	130,000
YOY \$ Change	1,321,488	(1,918,923)	(48,760)	-	-	-
YOY % Change	170.3%	-91.5%	-27.3%	0.0%	0.0%	0.0%

Percentage of Total Budget	0.6%	0.1%	0.0%	0.0%	0.0%	0.0%
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Transfers Out	1,962,390	130,000	130,000	130,000	130,000	130,000
Advances Out	-	-	-	-	-	-

The total annual other sources is typically minimal but in FY 2018 the District did increase the amount of transfers to other fund. The level for FY 2019 through FY 2023 is at pre-FY 2018 levels.

Akron Public Schools

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2018	2019	2020	2021	2022	2023
Revenue:						
1.010 - General Property Tax (Real Estate)	103,248,883	102,349,917	104,504,270	104,514,923	105,416,282	105,669,561
1.020 - Public Utility Personal Property	10,051,180	10,478,853	10,902,278	11,230,744	11,563,073	11,907,668
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	178,891,537	179,028,669	185,202,031	191,133,882	197,696,141	201,024,525
1.040 - Restricted Grants-in-Aid	23,540,804	26,291,531	26,303,803	26,573,317	26,302,615	26,264,849
1.050 - Property Tax Allocation	14,410,473	14,318,596	14,285,413	14,283,870	14,282,247	14,263,501
1.060 - All Other Operating Revenues	16,041,910	14,900,189	13,707,615	13,500,202	13,696,581	13,796,830
1.070 - Total Revenue	346,184,786	347,367,755	354,905,410	361,236,938	368,956,939	372,926,934
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	578,702	-	-	-	-	-
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	57,400	224,537	-	-	-	-
2.070 - Total Other Financing Sources	636,102	224,537	-	-	-	-
2.080 - Total Rev & Other Sources	346,820,888	347,592,292	354,905,410	361,236,938	368,956,939	372,926,934
Expenditures:						
3.010 - Personnel Services	167,035,365	176,839,728	182,160,527	188,625,350	195,095,106	200,860,878
3.020 - Employee Benefits	73,057,330	71,812,193	74,337,119	78,075,578	82,652,851	87,088,096
3.030 - Purchased Services	80,458,697	79,036,364	82,059,456	84,199,270	86,428,478	88,699,906
3.040 - Supplies and Materials	8,742,172	8,610,863	8,917,084	9,258,766	9,613,819	9,982,771
3.050 - Capital Outlay	4,244,607	6,384,098	6,384,098	6,511,791	6,644,370	6,782,040
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	2,961,969	4,203,730	4,262,268	4,321,721	4,382,105	4,439,932
4.500 - Total Expenditures	336,500,139	346,886,976	358,120,552	370,992,476	384,816,729	397,853,623
Other Financing Uses						
5.010 - Operating Transfers-Out	1,962,390	130,000	130,000	130,000	130,000	130,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	135,292	48,760	-	-	-	-
5.040 - Total Other Financing Uses	2,097,683	178,760	130,000	130,000	130,000	130,000
5.050 - Total Exp and Other Financing Uses	338,597,822	347,065,736	358,250,552	371,122,476	384,946,729	397,983,623
6.010 - Excess of Rev Over/(Under) Exp	8,223,066	526,556	(3,345,142)	(9,885,538)	(15,989,790)	(25,056,689)
7.010 - Cash Balance July 1 (No Levies)	49,236,513	57,459,579	57,986,135	54,640,993	44,755,455	28,765,665
7.020 - Cash Balance June 30 (No Levies)	57,459,579	57,986,135	54,640,993	44,755,455	28,765,665	3,708,976
		Reservations				
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	57,459,579	57,986,135	54,640,993	44,755,455	28,765,665	3,708,976
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	57,459,579	57,986,135	54,640,993	44,755,455	28,765,665	3,708,976
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	57,459,579	57,986,135	54,640,993	44,755,455	28,765,665	3,708,976