

Revere Board of Education

Board of Education
6:00 P.M.

Special Meeting
September 14, 2010

The President, Mr. Bill Hoover, called the meeting to order at 6:00 P.M.

Roll Call:

Mario Bonacci, Present
Joe Forcina, Absent
Bill Hoover, Present

Claudia Hower, Present
George Seifert, Present

READING OF NOTICE OF SPECIAL MEETING

No action taken

Mr. Joe Forcina arrived at 6:08 P.M.

TREASURER

No action taken

SUPERINTENDENT

Certificated/Licensed Personnel

Certificated/Licensed Leave of Absence (LOA)-2010/2011 School Year

Res. 11-101515 Moved by Mr. Bonacci, seconded by Mrs. Hower to approve the leave of absence for Melissa Catanese/Grade 2 as detailed in Attachment 1.

Roll Call: Aye-Bonacci, Hower, Forcina, Hoover, Seifert
Motion Carried.

Long Term Substitute-Grade 2-2010/2011 School Year

Res. 11-101516 Moved by Mr. Seifert, seconded by Mr. Bonacci to approve Alison Blake as the long term substitute for Melissa Catanese's LOA defined above with an effective date of August 25, 2010.

Roll Call: Aye-Seifert, Bonacci, Forcina, Hoover, Hower
Motion Carried.

Classified Personnel

Substitute-Classified Personnel-2010/2011 School Year

Res. 11-101517 Moved by Mrs. Hower, seconded by Mr. Seifert to approve the following:
Edward Ball Substitute Bus Driver Effective August 25, 2010

Roll Call: Aye-Hower, Seifert, Bonacci, Forcina, Hoover
Motion Carried.

Student Services

Addendum-School Health Service at Old Trail School-2010/2011 School Year

Res. 11-101518 Moved by Mr. Bonacci, seconded by Mrs. Hower to approve the addendum for additional school nurse services at Old Trail School as defined in Attachment 2.

Roll Call: Bonacci, Hower, Forcina, Hoover, Seifert
Motion Carried.

Mr. Mario Bonacci left at 7:40 P.M.

EXECUTIVE SESSION

Res. 11-101519 Moved by Mr. Forcina, seconded by Mr. Seifert to go into Executive Session at 9:07 P.M. to consider the discipline/dismissal of an employee and to consider the sale of property.

Roll Call: Aye- Forcina, Seifert, Hoover, Hower
Motion Carried.

REGULAR SESSION

Res. 11-101520 Moved by Mr. Forcina, seconded by Mr. Seifert to come out of Executive Session and return to Regular Session at 9:59 P.M.

Roll Call: Aye- Forcina, Seifert, Hoover, Hower
Motion Carried.

ADJOURNMENT

Res. 11-101521 Moved by Mr. Forcina, seconded by Mr. Seifert to adjourn the meeting at 10:02 P.M.

Roll Call: Aye- Forcina, Seifert, Hoover, Hower
Motion carried.

Signed _____
President

Attest _____
Treasurer

Date Approved

Revere Board of Education
Revere High School Library

Regular Meeting

6:30 PM

September 21, 2010

The President, Mr. Bill Hoover, called the meeting to order at 6:30 P.M.

Roll Call:

Mario Bonacci, Present
Joseph Forcina, Present
William Hoover, Present

Claudia Hower, Present
George Seifert, Present

PLEDGE OF ALLEGIANCE

STUDENT PRESENTATION/STUDENT ACHIEVEMENT

- Hillcrest Elementary/Grade 3 Presents Original books

PUBLIC SPEAKS TO AGENDA ITEMS

No action taken

BUILDING PRINCIPAL'S REPORTS

No action taken

TREASURER'S REPORT, Mr. David Forrest

Approval of Minutes

Res. 11-101522 Moved by Mr. Forcina, seconded by Mrs. Hower to approve the minutes of the Special Meetings held August 2, 2010 and August 10, 2010 and the Regular Meeting held August 17, 2010 as detailed in Attachment T-1.

Roll Call: Aye- Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

Approval of Financial Report

Res. 11-101523 Moved by Mr. Bonacci, seconded by Mr. Forcina to approve the Financial Report for the month of August as found in Attachment T-2.

Roll Call: Aye-Bonacci, Forcina, Hoover, Hower, Seifert
Motion Carried.

Donations

Res. 11-101524 Moved by Mr. Forcina, seconded by Mrs. Hower to approve, with appreciation, the donations listed in Attachment T-3.

Roll Call: Aye- Forcina, Hower, Bonacci, Hoover, Kostoff
Motion Carried.

Permanent Appropriations

Res. 11-101525 Moved by Mr. Forcina, seconded by Mrs. Hower that the fiscal year 2010/2011 permanent appropriations be approved, which are inclusive of adjustments being made to the current temporary appropriations, as listed in **Attachment T-4**, be it further resolved that the "Legal Level of Control" for all appropriations be established at the fund level, and be it further resolved that as part of the District's total appropriations that the General Fund budgets be approved as described in **Attachment T-5** (GF Budget Detail).

Roll Call: Aye- Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

Purchase Orders

- Res. 11-101526 Moved by Mr. Forcina, seconded by Mrs. Hower to authorize and certify payment of the purchase orders listed below since both at the time of the making of this contract or order (then) and at the date of the execution of this certificate (now), that the above amount required to pay this contract or order has been appropriated for the purpose of this contract or order and is in the treasury or in the process of collection to the credit of the funds of the Board of Education and free from any previous encumbrances.

PO#	Date	Vendor	Amount	Requested by
1100833	8/18/10	Cargill Inc.	\$6,228.32	Central Office
1100859	8/26/10	Seibert Keck Insurance	\$123,562.00	Central Office

Roll Call: Aye- Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

Federal and State Funds

- Res. 11-101527 Moved by Mr. Forcina, seconded by Mrs. Hower to approve the District's participation in the Federal and State Funds as listed in Attachment T-6.

Roll Call: Aye- Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

Inventory Deletion

- Res. 11-101528 Moved by Mr. Forcina, seconded by Mrs. Hower to approve that the items listed be identified as equipment having no functional value to the District or as obsolete having no monetary value, and that these items be disposed of as directed by the Board policy by the Coordinator of Business Services and the Treasurer. See Attachment T-7.

Roll Call: Aye- Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

Approval of New Funds

- Res. 11-101529 Moved by Mr. Bonacci, seconded by Mr. Forcina to establish the new funds as listed below with appropriations established at fund level:
- Student Class of 2015 fund-200/2015
 - School Foundation Fund-5323/9320

Roll Call: Aye-Bonacci, Forcina, Hoover, Hower, Seifert
Motion Carried.

Ohio Schools Facilities Commission-Energy Conservation

- Res. 11-101530 Moved by Mrs. Hower, seconded by Mr. Forcina to approve the district applying to the Ohio School Facilities Commission for approval of an energy conservation project under HB 265 per Attachment T-8 and be it further resolved that it is the Board's discretion to move forward with a final project when a final scope of work is determined.

Roll Call: Aye- Hower, Forcina, Bonacci, Hoover
No-Seifert
Motion Carried.

Funding Associated with HB264 Application

- Res. 11-101531 Moved by Mr. Forcina, seconded by Mrs. Hower to approve that in conjunction with the energy conservation project the District apply for funding under the American Recovery and Reinvestment Act which authorizes the issuance of qualified school construction bonds (QSCB). Details in Attachment T-9.

Roll Call: Aye- Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

Benefit Election – Board of Education

Based upon the pending open enrollment period, the members of the Board of Education may elect the following benefit coverage's at their cost. In accordance with §3313.202 O.R.C., any elected member of the Board of Education and dependent children and spouse of the member may annually opt to be covered by the District's benefit plan, if such a member pays the certified cost of such coverage. Payments may be made quarterly in advance to the Treasurer. The statute requires that any Board member who chooses this coverage shall submit his/her request in writing, this action shall be publicly announced, and recorded as part of the official minutes of the meeting. Accordingly, if anyone would like such coverage, he/she may so indicate at this meeting.

Mr. Joseph Forcina Yes No- X Partial

Alliance for High Quality Education

Res. 11-101532 Moved by Mr. Forcina, seconded by Mrs. Hower to approval the membership renewal in the Alliance for High Quality Education at an annual cost of \$3,500.00.

Roll Call: Aye-Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

Copiers and Printers

Res. 11-101533 Moved by Mr. Bonacci, seconded by Mr. Forcina to approve that authorization be given for a RFP to be issued for both copier and printer solutions based on the existing contract which expires in December 2010.

Roll Call: Aye-Bonacci, Forcina, Hoover, Hower, Seifert
Motion Carried.

Listing Agreement-Property

Withdrawn-No Action

BOARD MEMBERS' REPORTS

Finance & Audit Committee
Facilities and Grounds Committee
Legislative Report
Cuyahoga Valley Career Center
Student Achievement Liaison

SUPERINTENDENT'S REPORT**Personnel – Certificated/Licensed**Leave of Absence-Maternity

Res. 11-101534 Moved by Mr. Forcina, seconded by Mrs. Hower to approve the written requests for a leave of absence for the following certificated/Licensed staff:

Amanda Holzman/Grade 2 HES Effective on or about 11-1/10 with a return to work on or about 2/23/11
Sarah Teague/Intervention SP HES Effective on or about 11-13/10 with a return to work on or about 1/2011

Roll Call: Aye-Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

Supplemental Contracts Certificated/Licensed Personnel – Academics, Athletics and Other – 2010/2011 School Year

Res. 11-101535 Moved by Mr. Forcina, seconded by Mrs. Hower to approve the following with compensation per the negotiated agreement:

RMS and RHS

Saturday Detention – Pete Kramarczuk

RHS

Department Head / Math – Stephanie Mason
Department Head / Science – Cindy Blaser
Department Head / Social Studies – Jeff Fry
Department Head / English – Alan Silvidi
Department Head / World Languages – Theresa Whyte
Grade 11 Class Advisor – Jeff Shane
Grade 10 Class Advisor – Linda Weigand
Grade 9 Class Advisor – Leigh Haynam

Winter Athletics:**Wrestling**

Head Coach Varsity – Dan Mosher

Women's' Basketball

Head Coach – Kevin Verde

Grade 7 Coach – Patrick DiCaprio

Grade 8 Coach – Gary Gough

Mens' Basketball

Head Coach Varsity – Dean Rahas

Grade 8 Coach – Dave Flegel

Grade 7 Coach – John Rorabaugh

Spring Athletics:**Men's' Tennis**

Head Coach Varsity – Paul Fisher

Junior Varsity Coach – Kathy Shisler

Women's' Track

Head Coach – Terry Cistone

Assistant Coach – Phil Mogus

RMS Coach – Cindy Gobrogge

RMS Coach – Kory Rorabaugh

Men's Track

Head Coach – Dave Heideman

Assistant Coach – Russ Neubert

Assistant Coach – Ryan Lekan

Assistant Coach Combo RHS Men & Women – Dave Parry

RMS Coach – Joe Williams

RMS Coach – Jed McKnight

Assistant Coach Combo RMS Men & Women – Wade Vantrease

Roll Call: Aye- Forcina, Hower, Bonacci, Hoover, Seifert

Motion Carried.

Kindergarten Screening 2010

- Res. 11-101536 Moved by Mr. Bonacci, seconded by Mr. Forcina to approve compensation for the following teachers who completed Kindergarten Screening on August 17th and August 18th for 12.5 hours at \$26.75 per hour for a total of \$334.38 each:

Rena Baker	Suzanne Percy	Ginny Kreeger (SLP)
Sheila Farrance	Janet Schwager	Janet Settnik (SLP)
Ginny Habig	Jeanne Sutter	Heather Welling (SLP)
Amy Haver	Valerie Tasker	

Roll Call: Aye- Bonacci, Forcina, Hoover, Hower, Seifert

Motion Carried.

Reimbursement for Services – Summer 2010

- Res. 11-101537 Moved by Mr. Forcina, seconded by Mrs. Hower to approve stipends as noted to those listed for coaching/instructional/camp services for sports indicated:

Girls Basketball Summer Youth Camp

Patrick DiCaprio	\$100
Beth Harrington	\$100
Kevin Verde	\$200

Boys Basketball Summer Programs

Todd Casey	\$1,000 (Youth League Coordinator: \$500 & Revere Summer Camp Director: \$500)
Gary Gough	\$250

Roll Call: Aye-Forcina, Hower, Bonacci, Hoover, Seifert

Motion Carried.

Salary Increase 2010/2011 School Year-Additional Education

Res. 11-101538 Moved by Mr. Bonacci, seconded by Mr. Forcina to approve the following salary increase due to additional education:

Sue Biro / Grade 1 HES	MA+30, Step 20	(22 years of service)
Brandon Decker / Science RHS	MA, Step 3	(3 years of service)
Paul Fisher / Science RHS	MA+30, Step 11	(11 years of service)
Lori Keaton / Grade 5 BES	MA, Step 13	(16 years of service)
Diana Racin / Grade 4 HES	MA+15, Step 13	(14 years of service)
Carol Shoop / Grade 8 RMS	MA+30, Step 20	(22 years of service)

Roll Call: Aye-Bonacci, Forcina, Hoover, Kostoff, Wracher
Motion Carried.

IAT Services – 2010/2011 School Year

Res. 11-101539 Moved by Mr. Forcina, seconded by Mrs. Hower to approve the following as IAT Case Managers with duties and compensation per the negotiated agreement:

<u>HES</u>	<u>RMS</u>
Kindergarten – Tara Breedlove	Grade 6 – Kim Gerdes and Kim Van Fossen*
Grade 1 – Amy Haver and Sheila Farrance*	Grade 7 – Allison Campbell
Grade 2 – Kim Cantley	Grade 8 – John Rorabaugh
Grade 3 – Lynn Machniak	

BES

Grade 4 – Kathy Saturni
Grade 5 – Linda Bare
* 50:50 split

Roll Call: Aye-Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

Personnel-ClassifiedSupplemental Contracts Classified Personnel – Athletics -- 2010/2011 School Year

Res. 11-101540 Moved by Mr. Forcina, seconded by Mr. Seifert to approve the following:

Fall Athletics:Womens' Soccer

Head Coach – Shannon Otto (formerly approved as the Junior Varsity Coach – resignation on file)
Junior Varsity Coach – Todd Randall (formerly approved as a volunteer)

Winter Athletics:Mens' Basketball

Junior Varsity Coach – Matt Svetz

Womens' Basketball

Junior Varsity Coach – Jason Hance

Wrestling

Assistant Coach – Michael Scavuzzo

Spring Athletics:Mens' Lacrosse

Head Coach – Doug Stalter
Volunteer – Bob Heubek

Softball

Head Coach – Lisa Simpson
Assistant Coach – Amy Cardenas

Roll Call: Aye- Forcina, Seifert, Bonacci, Hoover, Hower
Motion Carried.

Reimbursement for Services – 2010

- Res. 11-101541 Moved by Mr. Forcina, seconded by Mr. Seifert to approve stipends as noted to those listed for coaching/instructional/camp services for sports indicated:

Girls Basketball Summer Youth Camp

Ashleigh Brown	\$30
Abbi Bull	\$60
Jill Buzzi	\$60
Meghan Deighton	\$30
Jason Hance	\$100
Marissa Harbath	\$30
Abby Klein	\$60
Taylor Krauth	\$60
Halston Maresh	\$30
Maria Pantich	\$60
Kristen Popa	\$60
Sherah Redman	\$60
Jordan Serpentine	\$60
Marissa Salopek	\$30
Jordan Urbanek	\$60
Gabby Vitez	\$60
Stephanie Vukotic	\$60

Boys Basketball

Matt Svetz \$250 (Revere Summer Camp Coordinator)

Roll Call: Aye-Forcina, Seifert, Bonacci, Hoover, Hower
Motion Carried.

Classified Employee Termination of Employment

- Res. 11-101542 Moved by Mrs. Hower, seconded by Mr. Seifert to approve the termination of employment of Lisa Hafer, Custodian at RHS, effective September 15, 2010.

Roll Call: Aye- Hower, Seifert, Bonacci, Forcina, Hoover
Motion Carried.

Substitute Bus Driver

- Res. 11-101543 Moved by Mr. Bonacci, seconded by Mr. Forcina to approve William Lawther as a substitute bus driver effective on or after September 20, 2010

Roll Call: Aye-Bonacci, Forcina, Hoover, Hower, Seifert
Motion Carried.

Student ServicesAgreement – Summit County Educational Service Center (ESC) Various Services – 2010/2011 School Year

- Res. 11-101544 Moved by Mr. Forcina, seconded by Mr. Bonacci to approve the agreement the Summit County ESC to provide services as noted in Attachment 1.

Roll Call: Aye- Forcina, Bonacci, Hoover, Hower, Seifert
Motion Carried.

Agreement – Summit County Educational Service Center (ESC) Audiology Services – 2010/2011 School Year

- Res. 11-101545 Moved by Mr. Forcina, seconded by Mr. Bonacci to approve the agreement the Summit County ESC to provide audiology services as noted in Attachment 2.

Roll Call: Aye- Forcina, Bonacci, Hoover, Hower, Seifert
Motion Carried.

Second Addendum – School Health Services with Summit County Health District – 2010/2011 School Year

- Res. 11-101546 Moved by Mr. Forcina, seconded by Mr. Bonacci to approve an additional school nurse services as detailed in Attachment 3.

Roll Call: Aye- Forcina, Bonacci, Hoover, Hower, Seifert
Motion Carried.

Other BusinessOvernight field Trip-Grade 8-June 6 through June 8, 2011

- Res. 11-101547 Moved by Mr. Forcina, seconded by Mr. Bonacci to approve the annual eighth grade trip to Gettysburg and Washington D.C. as detailed in **Attachment 4**. Approval is given with the stipulation that Revere's attendance is contingent upon national security and terrorist activity in the area at the time of the trip. Be it further resolved that it is contingent upon the District's financial position in light of the November 2010 Levy.

Roll Call: Aye- Forcina, Bonacci, Hoover, Hower, Seifert
Motion Carried.

Agreement with Rachel Wixey and Associates-2010/2011 School Year

- Res. 11-101548 Moved by Mr. Forcina, seconded by Mrs. Hower to approve the agreement with Rachel Wixey and Associates to provide services as the AESOP Administrator as detailed in Attachment 5.

Roll Call: Aye- Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

Certificated/Licensed substitute List-Summit county Educational Service Center

- Res. 11-101549 Moved by Mr. Forcina, seconded by Mrs. Hower to approve the August 2010 list of substitute teachers provided by the Summit County Educational Service Center (available at the Administration Building). The initial list will be subject to additions and deletions throughout the 2010 - 2011 school year.

Roll Call: Aye- Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

REPORTS FROM CENTRAL OFFICE TEAM

Assistant Superintendent
Director of Student Services
Coordinator of Business Services

No action taken

INFORMATIONAL ITEMS

- A. There will be a Work Session October 12, 2010 at 6:00 P.M. in the BOE.
B. **NOTE:** There will be a Regular Meeting October 19, 2010 at 5:00 P.M. in the Library of Revere High School. This will be followed by an open community meeting at 7:00 P.M. in the Revere High School Auditorium.

CONCERNS OF THE PUBLIC AND COMMUNITY ANNOUNCEMENTS

- There is an open community meeting on 9/28/10 from 7:00 p.m. - 9:00 p.m. in the RHS Auditorium to explore the topic School Finance 101 with a speaker from the Buckeye Association of School Administrators.
- There is an open community meeting on 10/19/10 from 7:00 p.m. - 9:00 p.m. in the RHS Auditorium to obtain information from Randy S. Boroff, Superintendent and Dave Forrest, CFO/Treasurer, on the State of the District

EXECUTIVE SESSION

- Res. 11-101550 Moved by Mr. Forcina, seconded by Mrs. Hower to go into Executive Session at 8:25 P.M. to consider the discipline/dismissal of an employee and the discussion of the purchase of property for public purposes.

Roll Call: Aye- Forcina, Hower, Bonacci, Hoover, Seifert
Motion Carried.

Mr. Joe Forcina left at 9:32 P.M.

Res. 11-101551 Moved by Mr. Bonacci, seconded by Mrs. Hower to come out of Executive Session and go back to Regular Session at 9:38 P.M..

Roll Call: Aye- Bonacci, Hower, Forcina, Hoover, Seifert
Motion Carried.

ADJOURNMENT

Res. 11-101552 Moved by Mr. Bonacci seconded by Mrs. Hower to adjourn the meeting at 9:40 P.M.

Roll Call: Aye- Bonacci, Hower, Forcina, Hoover, Seifert
Motion carried.

Signed _____
President

Attest _____
Treasurer

Date Approved

New Document

REVERE LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEARS ENDING JUNE 30, 2008, 2009 AND 2010
FORECASTED FISCAL YEARS ENDING JUNE 30, 2011 THROUGH JUNE 30, 2015

Line Number	Fiscal Yr 2008 ACT	Fiscal Yr 2009 ACT	Fiscal Yr 2010 ACT	Ave. Annual CHANGE	Fiscal Yr 2011	Fiscal Yr 2012	Fiscal Yr 2013	Fiscal Yr 2014	Fiscal Yr 2015
Revenue:									
1.010	21,450,379	21,715,003	22,405,471	2.21%	22,665,471	20,648,789	18,658,521	18,985,045	19,714,746
1.020	876,860	622,916	140,691	-53.19%	90,691	47,691	47,691	47,691	47,691
1.030	0	0	0	0.00%	0	0	0	0	0
1.035	2,367,439	2,343,303	2,165,421	-4.31%	1,992,187	1,325,187	769,623	769,623	769,623
1.040	69,331	61,303	18,732	-40.51%	13,732	8,732	7,532	6,332	5,132
1.045	0	0	147,808	0.00%	221,808	74,000	25,000	25,000	0
1.050	3,706,142	4,200,766	4,882,705	12.41%	4,827,705	4,877,705	4,927,705	4,256,082	4,237,373
1.060	1,287,608	633,208	794,396	-12.68%	632,396	602,396	562,396	512,396	452,396
1.070	29,757,759	29,576,499	30,355,224	1.01%	30,443,990	27,584,501	24,998,469	24,602,170	25,226,962
Other Financing Sources									
2.010	0	0	0	0	0	0	0	0	0
2.020	0	0	0	0.00%	0	0	0	0	0
2.040	0	0	0	0.00%	0	0	0	0	0
2.050	255,344	186,799	450,737	57.23%	250,000	250,000	250,000	250,000	250,000
2.060	8,505	25,191	52,737	152.77%	40,737	40,737	40,737	40,737	40,737
2.070	263,849	211,990	503,474	58.92%	290,737	290,737	290,737	290,737	290,737
2.080	30,021,608	29,788,489	30,858,698	1.41%	30,734,727	27,875,238	25,289,206	24,892,907	25,517,699
Expenditures:									
3.010	17,371,062	18,089,287	19,012,557	4.62%	19,552,538	20,629,791	21,521,524	22,089,815	22,780,829
3.020	5,862,611	5,609,034	6,503,478	5.81%	6,361,967	7,433,249	7,865,179	8,435,729	9,046,218
3.030	3,248,726	3,491,731	3,781,069	7.88%	3,995,122	4,104,817	4,383,945	4,725,892	5,069,512
3.040	997,820	1,037,280	874,131	-5.89%	977,838	1,326,952	1,280,030	1,060,431	1,102,848
3.050	523,035	364,836	441,308	-4.64%	689,373	823,842	640,034	672,035	705,637
3.060	0	0	0	0.00%	0	0	0	0	0
4.010	0	0	0	0.00%	0	0	0	0	0
4.020	0	0	0	0.00%	0	0	0	0	0
4.030	0	0	0	0.00%	0	0	0	0	0
4.040	0	0	0	0.00%	0	0	0	0	0
4.050	0	0	0	0.00%	0	0	0	0	0
4.060	0	0	0	0.00%	0	0	0	0	0
4.300	0	0	0	0.00%	0	0	0	0	0
4.500	492,892	541,091	540,758	4.86%	873,203	930,131	912,131	934,131	956,131
	28,486,146	29,133,259	31,153,301	4.58%	32,450,041	35,248,781	36,582,842	37,918,034	39,661,176
Other Financing Uses									
5.010	79,134	125,092	102,000	19.81%	115,000	115,000	115,000	115,000	115,000
5.020	241,799	375,737	250,000	10.96%	250,000	250,000	250,000	250,000	250,000
5.030	0	0	0	0.00%	0	0	0	0	0
5.040	320,933	500,829	352,000	13.17%	365,000	365,000	365,000	365,000	365,000
5.050	28,817,079	29,634,088	31,505,301	4.57%	32,815,041	35,613,781	36,947,842	38,283,034	40,026,176

Line Number	Fiscal Yr 2008 ACT	Fiscal Yr 2009 ACT	Fiscal Yr 2010 ACT	Ave. Annual CHANGE	Fiscal Yr 2011	Fiscal Yr 2012	Fiscal Yr 2013	Fiscal Yr 2014	Fiscal Yr 2015
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses									
6.010	1,204,529	154,401	-646,603	-302.98%	-2,080,314	-7,738,544	-11,658,636	-13,390,128	-14,508,477
Cash Balance July 1 - Excluding Proposal Renewal/ Replacement and New Levies									
7.010	13,414,563	14,619,092	14,773,493	5.02%	14,126,890	12,046,576	4,308,033	-7,350,604	-20,740,732
7.020	14,619,092	14,773,493	14,126,890	-1.66%	12,046,576	4,308,033	-7,350,604	-20,740,732	-35,249,209
8.010	1,212,537	1,155,984	830,347	-16.42%	950,000	950,000	950,000	950,000	950,000
Reservation of Fund Balance:									
9.010	0	0	0	0	0	0	0	0	0
9.020	0	0	0	0	0	0	0	0	0
9.030	0	0	0	0	0	0	0	0	0
9.040	0	0	0	0	0	0	0	0	0
9.045	0	0	0	0	0	0	0	0	0
9.050	0	0	0	0	0	0	0	0	0
9.060	0	0	0	0	0	0	0	0	0
9.070	0	0	0	0	0	0	0	0	0
9.080	0	0	0	0	0	0	0	0	0
Fund Balance June 30 Certification of Appropriations									
10.010	13,406,555	13,617,509	13,296,543	-0.39%	11,096,576	3,358,033	-8,300,604	-21,690,732	-36,199,209
Revenue from Replacement / Renewal Levies:									
11.010	0	0	0	0	0	2,300,000	4,600,000	4,600,000	4,600,000
11.020	0	0	0	0	0	2,300,000	4,600,000	4,600,000	4,600,000
11.030	0	0	0	0	0	2,300,000	6,900,000	11,500,000	16,100,000
Fund Balance June 30 For Certificates of Contracts, Salary Schedules, and Other Obligations									
12.010	13,406,555	13,617,509	13,296,543	-0.39%	11,096,576	5,658,033	-1,400,604	-10,190,732	-20,099,209
Revenue from New Levies:									
13.010	0	0	0	0	2,381,500	4,763,000	4,763,000	4,763,000	4,763,000
13.020	0	0	0	0	2,381,500	4,763,000	4,763,000	4,763,000	4,763,000
13.030	0	0	0	0	2,381,500	7,144,500	11,907,500	16,670,500	21,433,500
Revenue from Future State Advancements									
14.010									
15.010	13,406,555	13,617,509	13,296,543	-0.39%	13,478,076	12,802,533	10,506,896	6,479,768	1,334,291
ADM Forecasts									
20.010	163	165	165		152	177	181	186	191
20.015	2,664	2,697	2,708		2,749	2,790	2,846	2,903	2,961
State Fiscal Stabilization Funds									
21.010					97,000				
21.020					32,350				
21.030					7,650				
21.040									
21.050									
21.060					137,000				
Total Expenditures - SF5F									
See accompanying summary of significant forecast assumptions and accounting policies									

Revere Local School District

Please Visit Also the Ohio Department of Education Website at

<ftp://ftp.ode.state.oh.us/geodoc/5-yrForecast/>

Five-Year Forecast

Fiscal Years 2008 to 2010 Historical Data

Fiscal Years 2011 to 2015 Forecasted Data

Board Approval Date of October 19, 2010

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What is the Five-Year Forecast

The five-year forecast was created in 1978 through H.B. 412. The purpose of the forecast was three fold:

1. To provide schools with a long range financial planning tool
2. Create a standard method by which a school's financial condition could be readily assessed by the legislature, the Ohio Department of Education, and the State Auditor's Office
3. Determine a school district's financial ability to enter into and fulfill contracts with vendors, unions and other parties with whom the school conducts business

The forecast is required to be updated two times per year which takes place in October and then in May of each year. However, there is no restriction as to the number of times or required time intervals under which updated forecasts can be submitted by a district. The five-year forecast consists of a two page financial statement that provides revenue and expenditure data to the user of the report. The report presents three years of historical data and five years of projected data which includes the current year of operation. Enrollment data is also part of the two page financial statement. Finally, written assumptions must also be included in the forecast to help the reader understand how the financial data is arrived at.

General Approach to Preparation of Forecast And Related Assumptions

The forecast is developed through a comprehensive process involving the district's management team. They assess instructional needs, facility issues, incorporate identified goals, revisit the strategic plan which is in place and focus on staffing related impacts over this forecasted five year period. Underlying assumptions are also made relative to financial markets, national and state wide economic trends, as well as current and pending legislation. The financial assumptions relied upon in this forecast regarding market conditions were largely influenced by the Monetary Policy Report issued to Congress by the Federal Reserve Bank in February of 2010. Additional external sources are heavily relied upon in developing the forecast which would include data from the Ohio Department of Taxation, the Ohio Department of Education, the Federal Reserve Bank of Cleveland, trade associations such as the Ohio School Board Association, Summit County Fiscal Officer, investment publications such as the Wallstreet Journal and peer review protocols. Critical to this process is the recognition of the fact that every decision made by the District has an impact not only in the current school year but also those years which follow. It is prudent in developing the forecast, that the management team not be risk takers but be diligent in focusing on probable outcomes on both the revenue and expenditure side.

Accounting Protocols

The five-year forecast is prepared on a cash basis and not on an accrual basis for both revenue and expenditures. Cash basis accounting recognizes revenue when received not earned and recognizes expenditures as paid rather than incurred.

All budgets are developed under governmental accounting standards which rely upon the identification of function and object. Function pertains to the responsibilities for which a department is charged with such as instruction of students or maintenance of facilities, to contrast two different areas of responsibility. The object further defines the purpose of the budget underneath the function. For example, salaries are a distinct object under the function of pupil transportation. Budgets are developed separately from other functions and objects so that the unique operating requirements of each purpose can be better managed and controlled. Finally, the District isolates various activities by using fund accounting. The five-year forecast reflects only activity for the “general” fund of the District which is the primary operating account. There are many other types of funds under the responsibility of the Board of Education. A representative list would include a health care fund, a debt retirement fund, a food service fund, Federal funds or student activity funds.

Overview of the District

The Revere Local School District has four primary instructional buildings consisting of a high school, middle school, 4th-5th grade elementary building and a kindergarten to 3rd grade elementary building. In addition, the district operates a required pre-school program in the 4th/5th elementary building, an athletic field house, bus garage and administrative building. Geographically, the district serves a 51 square mile area consisting primarily of residential neighborhoods of a more rural setting without a consistent network of sidewalks. District boundaries fall within Richfield Township, Richfield Village, Bath Township, and small parts of Copley Township and the City of Akron.

Governance of the Revere Local School District is overseen by an elected five member Board of Education and is a separate distinct unit of government. Public schools in Ohio as is the case with other forms of government have the power to act as a taxing authority subject to voter approval with the exception of inside millage and an un-voted debt limit of 1/10th of 1% of the District's tax valuation.

The District employs on a contracted basis approximately 325 staff members. The majority of the staff is made up of licensed instructionally based employees but this also includes secretaries, administrative personnel, cooks, custodians, drivers and other support staff. These employees are represented by one of two local unions the Ohio Education Association or The Ohio Association of Public School Employees.

The Impact of Ohio's School Funding Formula (Prior to the adoption of HB 1 Effective 7/1/09)

Property taxes are a root component of the school funding formula in Ohio. The Revere Local School District has historically been defined as a “Guarantee” district and is a “Zero” state share district. These descriptors are given to the District since the local property values, when compared to other schools, are well above the state average and categorize the system as a high wealth district.

The reader of this forecast should understand that a key component of the State's funding formula is tied directly to wealth.

Consequently, the Revere Local School District as a zero share, guarantee district is impacted in the following ways in relation to funding from the State of Ohio:

1. The District's State Funding is capped and has been placed on a guarantee which means that the funding received from the State of Ohio is frozen, with some minor exceptions.
2. Funding paid to the Revere Schools is not tied to enrollment. The District does not receive the per pupil funding amount as provided for by the State's funding formula and consequently when a student moves into the District no additional funding is received from the State for that pupil
3. The majority of the supplemental programs in the State's funding formula, such as those for special needs students, are tied to the state share percentage. As a zero state share district we do not receive the supplemental funding so badly needed by those students. The programs are still funded by the District but through local tax dollars.

The end result is that based upon the wealth of the district as defined by property value we are almost entirely reliant on local property taxes to fund the school system.

The funding model used in Ohio was changed in July of 2009 but these changes are being phased in and contingent upon both the economic outcomes of the State as well as the ever changing political landscape. Accordingly, the reader of these notes should understand some of the fund concepts are in flux.

The Impact of Ohio's New School Funding Formula (Under HB 1, Adopted 7/1/09)

HB 1 negatively impacts the Revere LSD with an originally projected reduction of School Foundation funding estimated at 1% in FY 10 and 2% in FY 11. Recently information was released by O.D.E. indicating that the loss in funding would be fully implemented over the FY 2011/2012 in the amount of \$1,266,900.

The previous and new funding models have a multiplier that is used to re-distribute the finite State resources to poorer school districts which at the same time penalizes districts such as Revere. That multiplier in the new funding formula is called the Educational Challenge Factor which is comprised of data pertaining to property value, the community's federally adjusted income, the number of residents with higher education degrees and the level of poverty in the community. In the prior funding model a guarantee existed under which schools like Revere were protected from a further erosion of State support. That guarantee has now been eliminated with the new funding bill.

The reader of this report must understand that the Board of Education, Superintendent and CFO/Treasurer recognize the importance of providing equal resources to schools that are disadvantaged. Our concern is not the State's effort to direct greater resources to the poorest schools in Ohio but the reduction of the current minimal State support received by the Revere LSD. Our district has consistently achieved Academic Excellence with Distinction. We accept

the fact that additional resources are not available but strongly disagree with a funding approach in which the economic resources of successful schools that are leaders in public education are eroded.

The programming aspect of HB1 contains a number of unfunded mandates which will have a significant negative impact on the Revere Schools. This includes programs such as all day kindergarten and Family/Civic Engagement staff.

The constituents of the Revere L.S.D. must decide what they want their schools to look like and the services to be provided. From that decision, the system would either have to seek additional revenue from the community in the way of tax levy support or eliminate programming. The other essential task which is already in place and continually being evaluated is the ongoing process of identifying ways to reduce and contain costs i.e. doing more with less.

Executive Summary of Forecast

One of the major assumptions pertaining to this forecast is the successful passage of both the operating levy for new money in November of 2010 and the renewal of the expiring emergency levy which must be passed in calendar year 2011. The students, faculty and parents of the Revere L.S.D. have distinguished themselves with extremely high and consistent academic achievement. It is assumed that the parents and community recognize the need to maintain and build upon our current programming which requires the approval of new money as well as the renewal.

In May of 2010, the District was on the ballot for new operating funds and proposed a ten year emergency levy in the amount of 6.86 mills with an estimated collection of \$6,728,000.

This initiative was not supported at the ballot. In evaluating the information received from the community a central issue related to the compensation of the certified staff. The compensation methodology, used by the District, is based upon three factors including years of service, training, and a base salary component. It is critical for the reader of this forecast to know that this model was established by the State of Ohio and is not unique to the Revere L.S.D. All schools in Ohio are required to compensate staff under this type of model. The Administration and the Board of Education understand the importance of addressing the compensation model. However the forum for doing this is through the collective bargaining process which will take place in late winter/spring of calendar year 2012,

There are significant differences in the forecast and the underlying assumptions when comparing the May 2010 submission to this August of 2010 submission. Those differences are highlighted in the following paragraphs.

In reference to expenditures the following factors were incorporated into the revised forecast:

1. Both of the District's bargaining units initiated salary concessions which were adopted by the Board of Education
2. Certified positions were eliminated as part of an employee severance plan which represents a more aggressive approach to cost containment.
3. The implementation of all day kindergarten is forecasted to occur in FY 12 impacting staffing and capital expenditures as mandated by the State of Ohio. All day kindergarten

will be implemented using the existing facilities instead of trailers which were previously proposed.

4. The re-evaluation of bargaining platforms with both unions has taken place saving significant money when compared to over the 10 years of existing historical trends.
5. The assumption of the need for more reliance on the general fund for certain capital expenditures without a bond initiative for facilities.
6. Additional cost containment measures have been initiated impacting tutoring costs, extended time contracts and the number of supplemental extra duty contracts.
7. The District has taken the necessary action to be on the November 2010 ballot and will put before the voters a 4.85 mill levy. Our ability to reduce the millage is tied directly to the employee concessions and other cost containment strategies implemented.

In relation to revenues, it is assumed that the Tangible hold harmless provision will expire and not be approved by the legislature resulting in the loss of over \$1.4 M noted above and the loss of Federal Funding as projected by the State.

Under this August forecast, with the assumption of approval of the November 4.85 mill levy and the renewal of the currently existing emergency levy that is expiring, the District will be able to operate in the black through fiscal year 2015. In fiscal year 2016, the District faces a cash deficit of \$6.4 M.

General Economic Trends

(Excerpts from the FOMC Report to Congress February 2010)

The Federal Open Market Committee (FOMC) is made up of Federal Reserve Bank Presidents and Board Members. In their February report, they identified that after 18 months of declining economic activity there has been some improvement seen in financial conditions. This shift is driven by monetary and fiscal policies. However, the recovery will be tempered by the need to rebuild wealth, very tight credit conditions and weakness in labor markets. Although the housing market showed the start of a rebound in the first half of 2009 it flattened in the second half of the year.

Focusing on real estate trends, credit markets for households remained constrained in the second half of 2009, even as interest rates declined for mortgages and many consumer type loans. Restrictive bank lending policies to individuals likely were due importantly to banks' concerns about the ability of consumers to repay loans in an environment of high unemployment. In addition, senior bank loan officers reported weakening loan demand from households throughout 2009. In 2009 nominal household debt experienced its first annual decline since the beginning of the data series in 1951. Although sales of existing single-family homes moved up noticeably through November, they fell back sharply in December, suggesting that some of the earlier strength reflected sales that had been pulled forward in anticipation of the expiration of the first-time homebuyer tax credit.

Even with house prices showing signs of stabilization, home values remained well below the remaining amount of principal on mortgages (so-called underwater loans) for many borrowers in the second half of 2009. With this background, and with a very high unemployment rate, delinquency rates on all types of residential mortgages continued to move higher. As of December, serious delinquency rates on prime and near prime loans had climbed to 16 percent for variable-rate loans and to over 5 percent for fixed rate loans. The delinquency rate on all

subprime loans was about 35 percent in December. Foreclosures remained exceptionally elevated in the second half of 2009. The heightened level of foreclosures has been particularly notable among prime borrowers, for whom the number of foreclosure starts moved up a bit in the second half of the year; by contrast foreclosure starts for subprime borrowers dropped back somewhat.

From a non-real estate perspective, the economic recovery from the recent recession was expected to be gradual, with real gross domestic product (GDP) expanding at a rate that was only moderately above FOMC member's assessment of its longer-run sustainable growth rate and the unemployment rate declining slowly over the next few years. It is also anticipated that inflation would remain subdued over this period. Few members made modest upward revisions to their projections for real GDP growth in 2010. Beyond 2010, however, the trend for participants' projections for economic activity and inflation were little changed, with participants continuing to expect that the pace of the economic recovery will be restrained by household and business uncertainty, only gradual improvement in labor market conditions, and slow easing of credit conditions in the banking sector. It is generally expected that it would take some time for the economy to converge fully to its longer-run path with a sustainable rate of output growth and rates of employment. Many members hold the view that the convergence process between unemployment and GDP, in order to meet the Federal Reserve's targets, could take more than five to six years.

★ Please note that the above economic summary establishes the background under which the assumptions in this forecast were made in reference to real estate taxes which is the District's primary source of revenue. Of particular concern is the housing market, resulting property values & growth, the State's deficit spending, the State's weakened revenue streams and the tax payer's propensity to assume additional taxes which are contained in this five year forecast.

IMF Report and Update on United States Economy:

The 2009 IMF report points out that signs of stabilization are starting to appear and that this is driven by unprecedented public policy directed at economic recovery. This trend has spurred moderate growth in the second half of 2009. Although both housing and inventory numbers are more favorable the rate of unemployment continues to grow and is expected to peak sometime in 2010. The disparaging rise in unemployment has a direct impact on consumer attitudes towards both investment and consumption. One major variable that is unknown is whether or not a second round of monetary and fiscal support measures will be implemented. A premature withdrawal of support before full financial recovery would have a negative impact on both the national and world wide economies. The debt trajectory for the Federal Government is of concern and it is not clear if this can be sustained long term. This concern even grows further under the possible reforms to health care and stress on the pension systems with our aging population. Health care can only be expanded under budget-neutral programs that act to contain costs or the Federal deficit could grow to as high as 110% of GDP by the year 2014. Although the economic news grows more favorable there are many unanswered questions.

The Public Policy Impact of HB 119 and SB 3 and 287

House Bill 119, passed by the legislature, became effective on July 1, 2007. This bill established the two year biennial budget for the State of Ohio as required by law and under which we are currently operating HB 119 committed to a 3% increase in per pupil funding which did not

benefit the Revere LSD as noted in the discussion above regarding the State's funding formula. HB 66 the previous 2 year budget bill created sweeping reform in the tax structure of the State. These changes have a direct impact on both the economy of the State and on public school funding. The Educational Tax Policy Institute projected that these structural tax changes will result in a loss of revenue to the State by fiscal year 2009/2010 of \$3.5B.

Changes to the tax structure are as follows:

1. Elimination of tangible taxes paid by businesses (forecast line 1.020)
2. Phase out of the Corporate Franchise Tax over 5 years
3. Replacement of the temporary 1 cent sales tax with a permanent ½ cent tax increase
4. Enact an untested Commercial Activity Tax (CAT Tax) on gross business receipts

HB 66 did include a hold-harmless clause which will insulate schools from the tax revenue losses incurred by the elimination of the tangible tax value. This hold harmless provision, however, is not permanent but was extended from its original expiration date of 2012. It will now expire at the end of the 2011/2013 biennium budget. In addition to the hold harmless provision, instead of a complete loss at its expiration, there is a phase out schedule under which partial payments will continue until fiscal year through 2018. At its peak the hold harmless payment is projected to be \$1,505,315. When the hold harmless provision expires the loss in revenue in fiscal year 2014 will be \$721,623. In each subsequent year the phase out of the reimbursement continues through fiscal year 2018 at which time no tangible revenue will be received under this provision. Compounding the impact of this loss in tax value and the corresponding revenues is that there was no consideration given to future increases in tangible tax collections which would have occurred and directly benefited public schools in the form of an inflationary revenue source

The phase out schedule and loss of property value is shown below for the Revere LSD in Table I.

TABLE I

Revere LSD Tangible Personal Property Value Loss							
	Machinery	Inventory	Furniture Fixtures	Telephone	Total Value	Annual Loss	Total Loss
Base Year 2004	1,963,790.00	5,349,338.00	19,759,146.00	5,297,817.24	32,370,091.24		
TY 2006	663,761.02	1,337,334.50	4,939,786.50			6,940,882.02	6,940,882.02
TY 2007	1,203,803.27	2,209,276.59	9,879,573.00			6,351,770.84	13,292,652.86
TY 2008	1,629,945.70	3,081,218.69	14,819,359.50			6,237,871.02	19,530,523.89
TY 2009	1,963,790.00	3,953,160.78	19,759,146.00	3,178,690.34		9,324,263.24	28,854,787.13
TY 2010				4,238,253.79		1,059,563.45	29,914,350.57
TY 2011				5,297,817.24		1,059,563.45	30,973,914.02

SB 3 and 287 enacted by the 123rd General Assembly reduced the assessment rate for certain tangible personal property of electric utilities and all tangible personal property of gas utilities.

For electric utilities, including rural electric utilities, all property except transmission and distribution property will have its assessment rate reduced to 25 percent. All natural gas personal property goes to 25 percent from 88 percent. The two changes combined have been estimated to reduce property taxes by about \$300 million on a state wide basis. The impact to the Revere LSD is a total projected loss in value of \$30,973,914. The maximum loss in one year was in tax year 2009 with a loss of \$9,324,263 in assessed value and a corresponding loss of revenue of \$460,000. There is currently a hold harmless provision that will expire in 2016 or sooner. The provision is tied to a formula involving increases in state foundation funding resulting from a loss in tax value which does not impact Revere as a 0% share district.

Enrollment

Three of the primary communities that populate the school system, Bath Township, Richfield Township and Richfield Village, have comprehensive land use plans in place which control the growth of residential development. Consequently, the District is not experiencing significant growth in student enrollment. However, because of the high quality of life in our community, which includes the school system's academic achievement, our district is a desirable location and will continue to experience a modest growth in enrollment over time. The one exception to this conservative growth pattern is the southern most region of the district along Route 18. This area is growing rapidly and allows for high density residential developments. The Superintendent continues to monitor the enrollment growth coming from this sector. At the current time the district is at capacity in two of our four academic buildings and close to capacity in the other two buildings. The District's current strategic plan includes a component for facilities and is an issue in the forefront of short and long term planning. In contrast to long range planning the community's support of a building initiative is divided. The forecast does contain enrollment data on line 20.010 and 20.015. Note that the jump in kindergarten enrollment in fiscal year 2011-2012 is based upon the offering of all day kindergarten which is believed will bring more students into the district at that level and that those students will migrate into the upper grades.

Facilities

The District continues to focus on an ongoing facilities maintenance program and those costs are partially reflected in both the purchase service and supply budgetary categories. There is a clear recognition by the Board of Education and the administration of the age of our buildings. And as mentioned under enrollment above there is an actively managed strategic plan in place that is examining this critical issue to the future of the District. This forecast does not reference specific building initiatives in that building projects are typically funded by the permanent improvement fund or bond initiatives and not the general fund. A facilities committee was established by the Board of Education in late fall of 2007 to develop a comprehensive master plan for land use and facilities. This committee has been meeting for all of 2008 and continues to work on the master planning document. To assist in this process, the architectural and engineering firm of GPD has been hired by the Board to work in an advisory capacity.

The District's facilities are old and incorporated into this forecast are line-item expenditures for maintenance supplies and purchase services. This increasing investment is necessary in order to insure a safe and productive instructional environment for staff and students.

INCOME ASSUMPTIONS

Forecast Line 1.010

General Property Taxes (Real Estate)

Forecast Line 1.020

Tangible Personal Property Taxes

Property taxes are levied and collected on a calendar year (CY) basis in contrast to a school district's fiscal year which runs from July 1st to June 30th of each year. Compounding the complexity of forecasting tax collection revenues both the effective millage rate and the total assessed valuation change from one year to the next. Consequently, property tax revenues received by a school district are the combination of two different tax years' assessments and valuations. Changes to value and assessment rates occur primarily as a result of new construction, reappraisal, tax appeals received by the county and levies newly approved by voters. The State of Ohio requires that residential and commercial property be appraised once every three years. For Summit County, CY 2005 was a triennial update and CY 2008 represented a full re-appraisal, after which this rotation between full and triennial updates will continue every three years.

The 2008 re-appraisal, payable in CY 09, resulted in an increase in over all assessed value of 3.5%. This outcome was not anticipated based upon the U.S. and State economies along with the drop in housing starts and the increase in foreclosures. The change in value from CY 09 to CY 10, a non re-appraisal year was only 1.11%

The tables which follow in this section are provided to help the reader of this forecast understand the base assumptions associated with real estate tax and tangible personal property tax revenues.

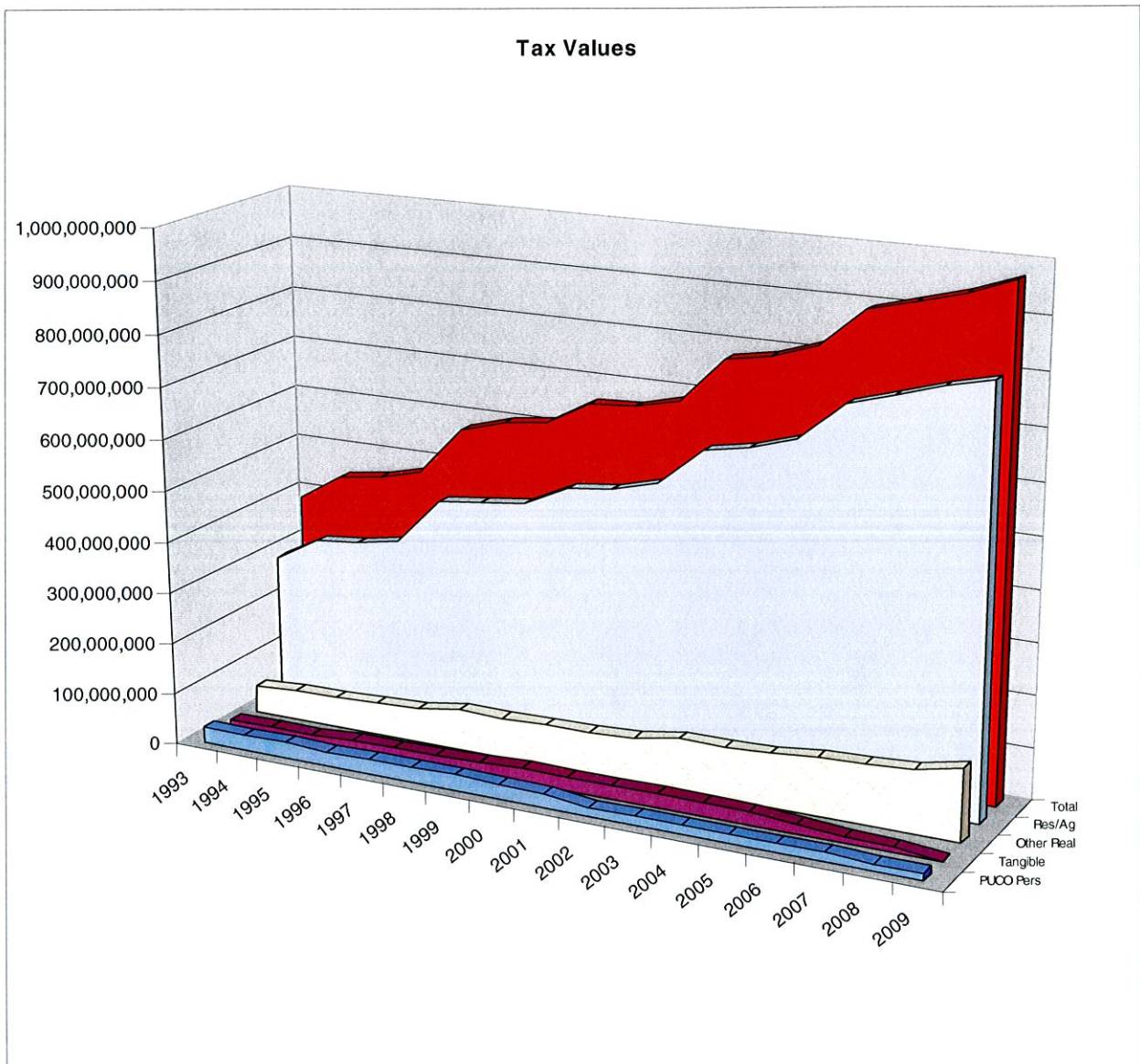
Graph II-A, below, shows that the majority of the District's tax values are primarily associated with first residential and then commercial property. This table also shows that the residential property values have increased predictably from year to year and have doubled over ten years. The increase in property tax value which results from higher appraised values does not generate new revenue because of HB 920. There are some exceptions to this rule, but HB 920 in simple terms requires by law that when property values increase through re-appraisal that the millage is reduced so that the revenue received by a school district from the community as a whole remains flat. Individual tax payers may however have a different experience, so that some tax bills may go down and others go up at different rates, but as a community the collection is flat.

Tax value growth from new construction or new value does provide new revenue as it is recognized by the county and added to the tax roles. Based upon overall economic trends it is predicted that historical trends in new property growth will not occur as has been the case in the past 15 years.

One of the exceptions to HB 920 occurs when the original voted millage is rolled back, over time, and falls to what is called the 20 mill floor. When that happens new taxes are levied on the increased valuation through re-appraisal and there is no roll back of millage as previously occurred under re-appraisal. Stated differently, increased tax values through re-appraisal do provide a school district with new revenue when the 20 mill floor is hit. The Revere LSD has hit the 20 mill floor on residential value with the re-appraised that took place in CY 2005 and was payable in CY 2006. The tax collection from CY 2006 impacts FY 2007 and FY 2008. Even though the District is at the 20 mill floor and did see values increase through reappraisal, this result was tempered by delinquency rates and foreclosures.

In FY 2012 the reader will see a significant drop in tax revenue in the amount of \$2,300,000 which represents a half years collection on the existing emergency levy. The emergency levy has a five year term and it would be in 2012, if not renewed, when the revenue would start to fall off. Under the guidelines in which the five year forecast is prepared this revenue is reinserted on line 11.020 of the forecast since the continuation of this levy is subject to voter approval. The balance of the emergency level is lost in FY 2013 but re-inserted as described above. The revenue from the emergency levy would be essential to the operation of the District. In FY 2011, a new operating levy is shown in the forecast and was calculated at 4.85 mills. This new levy is entered on line 13.020. With the renewal of the emergency levy and the approval of this new operating levy the District would operate in the black until FY 2016.

Graph II-A



Graph II-B, below, shows the percentage changes in tax value from year to year. The reader should observe the following:

- that in years of re-appraisal the increase in values are much larger
- increases in revenue as a result of new construction coming onto the tax duplicate in the two tax years prior to the full re-appraisal of values payable in CY 2009 were 2.09% and .63% respectively.
- percentage increases from re-appraisal are inconsistent yet clearly greater than percentage increases from new value
- the loss in value due to HB66 which was referenced earlier is readily apparent with the tangible value shaded light blue.

- the loss in value attributable to Senate Bills 3 and 287 is also seen in the yellow shaded areas associated with the reduction in the assessment rates on this classification of property

Graph II-B

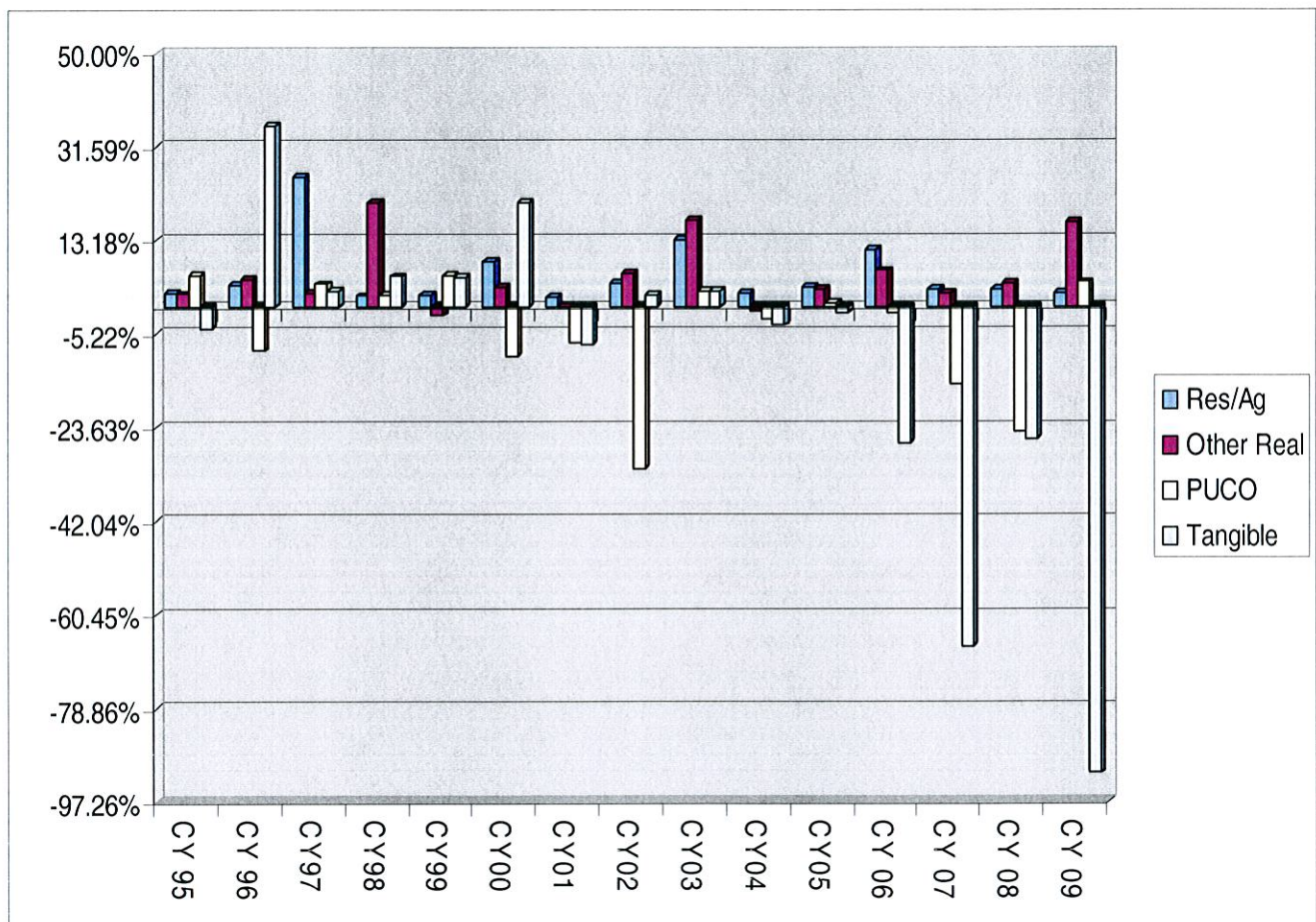


Table II-C

Revenue Categories as a Percentage of Total Revenue for Fiscal Year 2009

	Real Estate Property Taxes	Tangible Personal Property Taxes	Unrestricted State Funding	Restricted State Funding	Rollback, Homestead and Other Reimbursements	Other Revenue
Percentage of Total Revenue	73%	2%	8%	0%	14.00%	2.00%
Forecast Line Reference	1.010	1.020	1.035	1.040	1.050	1.060 & 2.070

Table II-D

Valuation by Category as a Percentage of Total Assessed Value

	Real Estate Residential/Agricultural	Commercial	Public Utility	Tangible Personal Property Taxes
Percentage of Total Valuation	83.88%	14.55%	1.49%	.08%

Summary

Based on the general economic outlook including the national and global economies, the impact to property values from new growth and re-appraisal have been significantly tempered in this forecast over historical trends. Additionally, the probability of increased delinquency rates and foreclosures also has been incorporated in the projected revenue numbers. Based upon the projections for the real estate market both locally and nationally, the impact of the district hitting the 20 mill floor on residential/agricultural value will be minimized at this time. The loss in tangible personal property value and the corresponding revenues, as depicted in Table I, are also evident in the financial forecast. The assumption of percentage increases in revenue for residential/agricultural and commercial real estate are shown in the Table II-E. These percentage increases were developed after evaluating historical trends, economic factors, anticipated new construction, reappraisals and the current assessed values and tax estimates received from the Summit County Fiscal Office.

Part of these tax revenue assumptions is the knowledge that the TIF transaction impacting the Embassy Parkway Commercial area was paid off early by Summit County which will interject \$338,000 in new revenue to the District on an annual basis not including future

adjustments due to re-appraisal. 50% of this revenue or \$169,000 will be received in FY 2009 and then the full amount of \$338,000 will be in the districts tax revenue base annually thereafter. There was a tangible tax payment in the amount of \$87,673 which will appear in the tangible receipts for FY 2009 due to a settlement with Adelphia. This is a onetime payment. There has also been a significant increase in delinquent tax collections as identified by the Summit County Fiscal Office which impacts FY 10. It is assumed that this trend will not continue into FY 11 and forward.

Table II-E

**Assumptions Relating to Percentage Change in Real Estate Values
Attributable to New Construction (Excludes Re-appraisal)**

	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016
% Change Over Prior Year	1.25%	1.50%	1.75%	2.00%	2.00%
	**	**			

** When evaluating changes in real estate values, 50% of Emergency Levy revenue moves to line 11.02 of forecast based upon the expiration of the levy and the assumption of a successful ballot renewal initiative.

Forecast Line 1.035 Unrestricted Grants-in-Aid

This forecast line represents revenue received from the State of Ohio for the education of our resident students. As explained above, the District is on the guarantee and does not receive a per pupil amount from the State. The guarantee amount includes a partial reimbursement of transportation costs of projected under the new Evidence Based Funding Model to be \$719,000 in fiscal year 2011. . Confusing the reader is the fact that the hold harmless reimbursements for tangible and public utilities were previously in this line item and have now been moved to line 1.050. For FY 2007 forward, this line item 1.035 will only be made up payments attributable to the State's school funding model.

Based on HB 1, discussed above, there was originally a 1% reduction in FY 10 and a 2% reduction in FY 11 of State Funding. It is not predicted based upon the State of Ohio's financial condition that HB 1 will be fully implemented in FY 2012 and FY 2013 instead of over four biennium budgets which will result in a loss of revenue projected to be over \$1.2 M.

Forecast Line 1.040 Restricted Grants-in-Aid

The District applies for reimbursement of catastrophic costs associated with special needs students and is also eligible to received partial funding for the purchase of a new bus. For this forecast it is assumed that these revenue sources will continue at reduced levels when

compared to historical receipts. The excess cost portion will fluctuate based upon the number of students generating reimbursements.

Forecast Line 1.045 Restricted Federal Grants-In-Aid SFSF (All 3200's)

This revenue line item was created to show the revenue received under the American Recovery and Reinvestment Act. The State of Ohio elected to use these federal funds to prop-up k-12 public education funding in light of the State's economic challenges. These stimulus payments were received for just fiscal 2010 and fiscal 2011. At the end of fiscal 2011 this funding source is eliminated. The monies were to be used to support the general operational costs of the district. The annual allocation was \$147,808.

There are also two new sources of Federal funds that will appear on this revenue line. One of the revenue streams is Race to the Top (RTTT) and the other is the Education Jobs Fund (EJF). Revere's RTTT allocation is \$25,000 for four years and this money must be used for staff development targeted at teacher accountability and results based analysis. This \$100,000 over 4 years will be targeted toward professional development. The Education Jobs fund allocation which is for \$49,000 per year for two years, will be used to add a skilled maintenance/facilities manager position. The goal of this new hire will be to reduce external facilities repair costs by building the internal capacity at a lower cost and to reduce facility management costs impacting staffing costs. If the savings can justify the position it will remain in the budget after fiscal year 2012.

Forecast Line 1.050 Property Tax Allocation

As with forecast line 1.035 above, what is to be included in this line item has changed and therefore the reader of the forecast will see significant swings in value when looking at historical revenue figures.

For all residential home owners the State of Ohio forgives or rolls back 10% of the tax bill and this amount is paid by the State to the public entity that levied a real estate tax. This also holds true for the 2.5% homestead exemption. These amounts are semi-annually aggregated and paid as a reimbursement by the State to the schools in Ohio. This payment is one of the primary components of line 1.050. The homestead/rollback payment mirrors for the most part changes in value that take place in residential property. This figure will possibly increase as it will be impacted by the elimination of the income restriction that was previously applied to applicants for the homestead exemption. The impact is however not known nor reflected in the forecast. Since back in FY 05 and FY 06 the only item on this line was for the homestead/rollback reimbursement, the reader can quickly see how much this single item represented. The percentage changes listed above for real estate are also applied to this category based upon the nature of the payment.

Starting in FY 07, schools are required to post hold harmless reimbursements for the loss of tangible personal property (TPT) value and changes from the reduction of public utility assessment rates on this line of the forecast. These amounts are listed on Table III-A below. Under HB 1 the Hold Harmless reimbursements are now extended through FY 2013 but will not continue from that point forward but will be phased out as originally approved by the

State. The phase out payments will match the originally planned payments and then be eliminated entirely in 2016.

The public utility loss reimbursement is also tied to changes in our state funding formula. Therefore, this hold harmless payment will definitely expire in 2016 but could theoretically be eliminated sooner.

Table III-A
Hold Harmless Reimbursements T.P.T.
& Public Utility

	FY09	FY10	FY11	FY12	FY13
Tangible Personal Property Tax	\$1,027,536	\$1,431,744	\$1,476,572	\$1,476,572	\$1,476,572
Public Utility Reimbursement	\$444,752	\$461,437	\$461,437	\$461,437	\$461,437
Total of Reimbursements	\$1,472,288	\$1,893,181	\$1,938,009	\$1,938,009	\$1,938,009

Forecast Line 1.060 All Other Revenue

This line item is made up of revenue from investment income, excess cost reimbursement, tuition, contracted services revenue and other miscellaneous fees. The changes reflected are representative of the loss of investment income due to declining cash balances and falling investment rates. Under fund accounting, the District does invest other monies in addition to general fund balances but those earnings are not all allocated to the general fund and reflected in the five year forecast. In addition, in FY 10 the District received two years of excess cost tuition from a one of our partner schools that we partner with for special education services. This consortium helps reduce or contain costs in meeting the needs of our special needs students as well as those of the member districts. This double payment is adjusted for in the forecast.

Forecast Line 2.040 Operational Transfers In
Forecast Line 2.050 Advances In

The District routinely advances cash to other funds which have not received the full cash allocation approved by the funding source. This typically occurs with Federal or State funds during the course of the fiscal year. The amount advanced is then repaid in the following fiscal year when the full funding is received from the governing agency. For the purpose of this forecast, historical advance amounts were utilized for the projected revenues. Said differently, transfers and advances represent tools used in no-profit accounting to manage cash flow related issues.

EXPENSE ASSUMPTIONS

General Assumptions for All Expense Related Projections

- Based upon the enrollment projections listed in the forecast overall enrollment changes are very small. However, not all class sizes are the same and as students move from grade to grade we need to track the enrollment impact.
- Percentage increases were developed after evaluating historical trends, the economic environment, and key expenditure areas where specific inflationary trends were identified such as with fuel, health care and utility related costs.
- A detailed general fund Revenue and Expenditure Report is developed each year for the upcoming school year. This report is prepared through a building and department based budgetary process and contains a line item budget for all general fund expenditures. It is from this report that the expenditures for the upcoming school year are developed (FY2010-11) and this information also is heavily relied upon in developing this five year forecast. Note that for this early forecast submission the general fund budget is still under development and analysis.

Forecast Line 3.010 Personnel Services

Personnel service expenditures represent compensation paid to all staff members including substitutes, part-time employees, board members and all full time employees. The majority of the staff is represented by one of two labor unions. The licensed staff, except administrators, are represented by the Revere Education Association which is part of the National Education Association and the classified staff are represented by the Ohio Association of Public School Employees (OAPSE).

The REA contract and the OAPSE contracts were to originally expire on June 30, 2011. However, we are extremely fortunate to have both bargaining units' present salary concessions to the Board. These concessions extend the current contract one more year so that both agreements now expire in June of 2012. The concessions reduced the previously negotiated base increases to 1.65% in FY 2011 and 1.65% in FY 2012 saving an estimated \$600,000 over the two years.

The normal term of a negotiated agreement is three years. Typical to school union contracts is an indexed salary schedule which provides for increases in salary based on completed years of service and education. The service increase is referred to as a "step" adjustment. For purposes of this forecast it is assumed that the indexed salary schedules will remain similar to the current salary schedules. The average cost to the district for step adjustments is 2%. In addition to the step adjustment the unions negotiate a base salary adjustment which is comparable to the cost of living increase in the private sector. Consequently the annual salary increase amount is determined by adding the base adjustment amount to the cost of the step. Salary and benefits represents 80% of the District's general fund budget which is below average compared to other public schools in Ohio.

For this forecast, a major change relates to the negotiation parameters which will be forwarded by the Board at the expiration of the current negotiated agreements. This change

is driven by the feedback provided by the community prompted by the May operating levy campaign which was defeated. The percentage increase associated with staffing has been significantly reduced based upon the concession agreement referenced above.

In addition, the Board has approved a 5.83 FTE reduction in staff starting in FY 10-11. This change impacts 4.83 certified staff members and 1 administrative FTE. Classified staffing size will continue to be evaluated. All of these reductions were made possible with the implementation of the employee severance plan approved by the Board in FY 10. Additional cost cutting measures that were initiated by the Board included a reduction in supplemental, elimination of secondary tutoring, and a reduction in extended time

Staff increases are anticipated in FY 12 based upon the State's requirement that all day kindergarten be implemented in Ohio. The District has requested a waiver in reference to this major programming change for FY11 and it is assumed the waiver will not be granted a second time. Therefore all day kindergarten impacts this forecast in FY 2012. Based on the incoming enrollment, which is an unknown, all day kindergarten could require the addition of 2 teachers, 2 certificated support staff and 4 classified support staff. The two projected certified support staff will be highly trained and be required to have a masters level of education or higher. These positions will be determined based upon the student population and their specific needs such as special education instructors, guidance counselors, psychologists or librarians. Two teachers at Step 4, BA 15 would cost \$49,061 each and the specialists at Masters 15, Step 6 would cost \$61,248 each. The four classified staff being added would cover a broad range of functions from custodial, playground aides, special education aides to bus drivers. There are a number of variables from the distribution of the students geographically to specific student learning needs that will determine this final number of classified staff being added at a projected cost of \$100,000. The number of new staff to meet the needs of all day kindergarten has been significantly reduced based upon a new plan being evaluated by the administrative team which involves utilizing current classrooms and staff to meet this need. This plan will cause an increase in class size and reduce the number of required new staff to those noted above. A certified staff position for Civic and Community Engagement services was also added based upon state mandates under the Evidenced Based Funding Model (EBM) in FY 11.

The EBM also requires in FY12 forward the addition of Lead Teachers, Supplemental Teachers, Family & Community Liaisons, a Wellness Coordinator and Building Managers. For the purpose of this forecast one FTE was added in FY 12 at the cost of \$49,061. It is believed that this amount significantly underestimates the cost of these programs but the compliance methodology is still unclear as provided by the Ohio Department of Education. These positions represent additional unfunded mandates.

All additions to staff are analyzed and presented to the Board of Education prior to any employment action being undertaken. The prior forecast incorporated openings for regular education instruction for advanced course subjects including Chinese, transportation, special education support, grounds and pupil support services all of which have now been eliminated.

Also incorporated into staffing costs is the cost of the early severance plan which is expensed over four years and in the total amount of \$234, 000 in FY 11, \$365,000 in FY 12 & FY 13, and \$131,000 in FY 14. Without this severance program the District would have had to lay off entry level teachers in double the numbers instead of a voluntary program which targets

the highest compensated teachers. Five remaining employees electing severance are assumed to be replaced at the end of fiscal year 2011. However the reduction in salaries due to their resignation is \$137,285. The outgoing salary cost of \$402,515 less the cost of 5 replacement staff compensated at 6 yrs, BA15 at a cost of \$265, 230 for a savings on the base of \$137,285 per year.

In fiscal years 2013, 2014, and 2015 it is assumed there will be a need to add at least one additional staff member in each of those years. This assumption is based upon the ongoing expansion of services required of public schools, the demands of the EBM noted above, the increasingly complicated needs of students and the need for expanded programming to support 21st century learning.

The staffing based cuts noted above had a favorable impact to the District's general fund budget of an estimated \$2.6M. The majority of the cuts to staffing were based upon the message delivered to the Board and Administration by our constituents. When evaluating these reductions we worked hard to not eliminate core programming impacting our students.

Added to fiscal year 2011 the cost associated with a new employee, the Maintenance/facilities Manager Position, hired under the Education Jobs Fund at a cost of \$46,000.

Forecast Line 3.020

Employee Retirement/Insurance Benefits

Expenditures within this category include all medical premiums, payments to the SERS and STRS retirement systems, Medicare, workers compensation and unemployment insurance. Retirement contributions and workers compensation are true payroll taxes and change as wages are modified at a similar percentage.

The District in FY 2005 through FY 2009 has taken premium holidays in each of those fiscal years. The premium holiday is taken when a favorable balance is generated in the health care fund due to a lower than anticipated claims experience. The budgetary savings associated with a premium holiday for one month based on current medical costs is approximately a savings of \$300,000. If two premium holidays were taken in any given year the associated reduction in health care costs would be approximately \$600,000. The value of a premium holiday in prior years was less since medical costs have continued to grow over time. The District renewal rates for health care premiums have averaged fewer than 8% prior to FY 2009. However in FY 2009 the District's claims experience grew significantly and that trend is shown in the succeeding fiscal years based upon experience. The District has joined a health care consortium to help contain health care related costs. With the renewal effective July 1, 2008 there was an annual savings of \$31,000 based on the District's participation in a medical consortium for fixed costs. Beginning with the health care renewal effective July 1, 2010 the District, through the consortium combined claims with the other member districts. We pooled claims to level swings in our health care renewal rates which have a direct impact on this segment of the budget. The overall renewal rate as of July 1, 2010 was just under 5% which was significantly lower than expected. With the most recent negotiations completed with both unions in the spring of 2008 there were health care savings generated through plan design. However, it is most significant that wellness provisions were agreed to at that time that will provide a long term reduction in health care costs through reduced utilization and improved employee health.

In FY 11 there are several significant benefit assumptions including the 5% increase in health care renewal rates noted above with the pooling of claims. The renewal increase was significantly below the previously projected increase of 10% and has a favorable impact on the forecast. There is also a reduction of \$48,000 in health care costs associated with reduced staffing numbers and an anticipated premium holiday of \$585,000 which represents the premium funding costs for approximately 2 months. . These factors are non-routine in nature and represent significant health care cost reductions.

In FY 12, projected benefit costs will be impacted by the addition of kindergarten staff, staffing associated with the evidence based model, and the absence of a premium holiday taken in the prior year. The greatest impact will be from the premium holiday taken in fiscal year 2011 as referenced above. That by itself will impact expenditures in fiscal year 2012 by the \$585,000 which will adjust medical costs to the true base cost without any subsidies. There is a pending proposal to increase the percentage that employers and employees pay into the retirement system. The proposed increase is 5% which is to be split between the employer and the employees and to be phased in over five years. With such a phase in the annual increase in costs would be estimated at \$92,000 per year for the employer's share. These increases are not yet incorporated into the forecast but should be mentioned as a potential future liability.

Added to fiscal year 2011 the cost associated with a new employee, the Maintenance/facilities Manager Position, hired under the Education Jobs Fund. The cost for medical and payroll taxes was \$19,489.

Also impacting the forecast is the fact that SERS has changed the

Forecast Line 3.030 Purchased Services

Purchase services includes expenditures for utilities, tuition paid to other districts, repairs and maintenance, contracted professional and technical services, open enrollment costs to other districts, post-secondary fees and excess costs for special education. There is an assumption that purchase services will continue to increase at historical rates with the exception of some of the office service related expenditures. The facility maintenance costs will be favorably impacted by the pending HB 264 application which the district has submitted to the Ohio Facilities Commission. Expenditures normally expensed to the General Fund would be paid out of the HB 264 program. The major increase in this category is tied to architect and engineering services. There are multiple facility projects planned by the District. Those projects include the replacement of the bus garage at a cost of \$3,000,000, the a remodeling of the high school to provide additional classroom space in the amount of \$255,000, the replacement of district parking lots at a cost of \$1,500,000 and the renewal of the wetlands permit on the property the district owns across from the Board Office on Everett. The wetland permit renewal would involve consulting fees with an environmental firm along with engineering fees. To maintain the original permit there are also build-out requirements on the property as established with the original permit. The total cost of the first 3 projects is \$4,755,000 and design/architectural fees would range from 5.5% to 7%. These projects and other pending improvements such as roofs will take place over multiple years. The architectural fees would be paid out the general fund since they are not capitalized

expenditures which would be funded from the Permanent Improvement fund. Since the community has not shown support for a bond levy for new facilities it will be assumed that there will be \$1,000,000 in capital project related expenditures impacting future architectural purchase services going forward.

Since the three primary projects will be started in fiscal year 2011 it is assumed that 60% of those projects would be completed from April to June of the current fiscal year and the balance of the projects would be completed in fiscal 2012. Architectural fees are paid as the work is performed and the project progresses which means that the design fees, at 7%, would be applied to approximately \$3,000,000 of project costs.

Forecast Line 3.040 Supplies and Materials

This category of expenditures includes instructional supplies, text books, library books including periodicals, office supplies, software, building maintenance supplies and vehicle supplies.

The primary factors impacting variances in this category over prior year actual would be diesel fuel, bus repair parts/supplies and the planned textbook adoption cycle which is necessary to keep our curriculum materials current and relevant to our students.

In FY 2007 the District completed a math and partial social studies textbook adoption which cost over \$360,000. Based on new State academic standards a significant curriculum adoption will not occur in fiscal year 2011 but assumptions were made that adoptions will occur in FY12 and FY 13 with an adjustment in each of those years of \$250,000. Also there will be an adjustment in FY 12 to cover the kindergarten curriculum and instructional supply start-up costs in the amount of \$120,000. Transportation supply costs are estimated to increase over the term of the forecast to cover the increased cost of fuel, tires and repairs.

In fiscal year 2011, \$120,000 was budgeted for Student Response Systems. This technology provides immediate feedback to the teacher from students by requiring the students to provide an answer through a hand held unit that communicates back to the teacher's computer where results are summarized. This technology which has been tested in the district has proven very beneficial academically. With 110 classrooms in the district it will take over 3 years to phase-in the cost of this technology and will remain as an expense in the instructional supply category in future years. One classroom unit is \$4,000 and based upon the number of classrooms this would be a projected cost of \$440,000.

Forecast Line 3.050 Capital Outlay New and Replacement Equipment

Under the equipment forecast line funds are allocated to purchase everything from desks, to microscopes, to computer technology to buses. The defining parameter is that the equipment being purchased must have a usable lifespan of five years. The District has a pre-defined replacement cycle for technology which must be upheld in order for these items to not become obsolete.

The district has a fleet of over 40 buses and historically we have replaced two per year utilizing the permanent improvement fund. At that rate our buses must be in service for 20 years. This is not a realistic length of service and requires the district to invest significant dollars into repair and maintenance. For example when the cross members of the chassis rust and need replacement which is a common problem with our buses the cost per bus can be as high as \$15,000 or more. It is not uncommon when evaluating our fleet to see that repair and maintenance costs are more than 50% of the original purchase price. Consequently in the budget for FY11 and subsequent years we are budgeting the purchase of two buses out of the general fund as a targeted effort to reduce the length of service of our buses and in turn reduce the money spent on bus repair. Instead of expending money on bus repair these funds can eventually be directed to new bus purchases. The assumption in the forecast is that we cannot increase our dependence on the PI fund for additional bus purchases based upon the significant increases/demands in facility maintenance including roofs, parking lots and other major facility projects in the absence of a bond initiative or borrowing for facilities.

In the fiscal year 2011 budget and forward there is a planned replacement cycle for classroom technology. This includes computers, smart boards, and LCD projectors. The district is fortunate to have smart boards in every classroom and has over 1,000 desktop computers including laptops in that number. At an average cost of \$1,000 for desktop computers and budgeting \$160,000 annually that is a replacement cycle of 6.25 years excluding the cost of LCD projectors, smart boards and the other classroom technology utilized by the district.

The district must replace its current servers which are aging and do not have the capability of supporting the districts storage needs, expanded email services, wireless applications, desktop virtualization (which is significant cost savings initiative) and expanded telephony. The district currently has 15 servers which must be replaced and these servers are spread out throughout the district. Based on advances in server technology the current servers can be replaced with 2 blade servers and a U.C.S. chassis with 8 bays. This equipment would be located centrally at our technology offices and would create many "service" advantages for or technology staff being centrally located. The two blade servers and UCS chassis would have a cost of \$120,000 to which we would have the cost of a memory module at \$55,000 for storage. As mentioned above the new servers will also give the district the capability of moving into the virtualization of desktop computers. Through virtualization the district is not replacing each individual desktop computer when they are no longer functional but is purchasing what is called a thin client and VM software which is then run from the blade servers. The students utilizing a virtualized computer station would only visibly see a monitor and keyboard that function as a dummy terminal. The infrastructure needed to implement virtualization (made possible through the new servers) is estimated to be the \$175,000 noted above and will enable us to generate significant savings relative to the replacement of desktop computers. A virtualized computer work station also as a life of 10 years. The savings through virtualization if current desktops are repurposed would be \$87,000 per year per 100 computers replaced. With the new server technology, the district would also now be capable of moving forward with wireless technology which would cost \$40,000 for the HS and approximately \$20,000 for each of the other buildings. Wireless technology has a number of advantages including the sharing of technology from one classroom to another on mobile carts and eliminates the need to incur the additional cost of hard wiring as our local area networks within each building expand. It will also give the

district the ability to expand the number of computer labs throughout the district at an incremental cost. The investment cost associated with expanded telephony which is the delivery of phone services over the districts network will enable us to reduce the cost of external phone lines and return the control of these services to the district instead of being dependent upon an outside vendor and their equipment. The cost for the implementation of telephony is estimated at \$100,000 for the infrastructure. NEONET which is the district's data site through a consortium purchasing & management program is current providing support services for member districts for telephony at a significant savings and this is an erate-able service. The annual cost for our current support agreement from Avaya is \$70,000 and with NEOENT after the erate discount would be \$24,000 which is a savings of \$46,000 per year. The model described above would also require an expansion of our fiber network at an estimated cost of \$20,000.

The goal of implementing the above capital improvements to our network would occur over fiscal year 2011 and 2012 at which time the only \$100,000 would remain in the budget for infrastructure related costs.

Forecast Line 4.300

All Other Objects

This category includes liability insurance, performance bonds, Summit County Auditor and Treasurer Tax Collection charges, banking fees, audit fees and the Summit County Educational Service Center deduction. Of the \$479,000 spent last year in this line item, the greatest single expenditure in this category are the county Auditor and Treasurer fees which were \$323,000 in FY 2007 and \$354,000 in FY 2008. This fee represents the costs associated with tax collection and are passed along to the public entity levying the tax. In election years when the District is on the ballot these fees increase to cover the cost of the polling locations. In FY 2011 a budgetary reserve amount of \$300,000 has been built into this forecast line. This is a prudent management strategy to protect the district against unforeseen expenditures which can cover a wide range of demands from special student services, legal fees attributable to due process cases, facility needs, external tuition costs, and unfunded mandates introduced by the State of Ohio. For those projects undertaken which will impact the funds appropriated in the reserve line item those expenditures will be re-booked to the appropriate budgetary and line item category in the permanent financial records. The reserve amount will remain in the forecast as a base cost.

Relative to the above reserve allocation and focusing on external tuition and student special services needs there are several significant trends which would potentially impact this budget line. First, our general nursing care related services has grown from 2,217 incidents in fiscal year 2005 to 15,424 incidents in fiscal year 2010. Conferences involving health services have jumped from 1,035 to 4,216 since fiscal year 2005. In our population, we are tracking 4 students that have life threatening medical conditions which will require special support services. The district is currently providing external placement services to 5 high risk students compared to three students in 2009. In the pre-school program supported by the district we have identified three high risk students that will be moving into the k-12 population and require special programming. The number of families utilizing the autism scholarship program has jumped from 1 to 7 since fiscal year 2009. In fiscal year 2010 we were faced with an unprecedented number of due process hearings which were favorably resolved in the district's favor but represent a trend that could have significant financial

ramifications. Research from UC Davis has shown that children with upper middle class, well educated parents are much more likely to identify Autism, including high functioning Autism which is on the increase. It is only logical that higher socio-economic populations have greater access to medical resources and are more informed which benefits their children, having higher levels of identification of critical needs. This in turn expands the scope of services we provide and the associated costs.

Forecast Line 5.010
Forecast Line 5.020

Operational Transfers Out
Advances Out

Within these categories the transfer and advance of funds from the general fund to other local, state, and federal grants are budgeted. Transfers are funds that are moved out of the general fund and into other funds without expectation of repayment. The primary example for the Revere LSD would be athletics. The general fund supplements the athletic fund each year. Typically up to \$50,000 is needed to balance the athletic budget which relies on primarily ticket sales to fund its programs. Advances are timing dependent and are temporary movements of cash from the general fund to another fund with an expectation of repayment. A prime example of an advance would be a Federal grant wherein the funding agency delays disbursement of the full grant amount.

Questions about the Five Year Forecast

Questions should be directed to:

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