



Revere Local Schools

# Five Year Forecast Financial Report

May, 2019

*Richard Berdine, Treasurer*

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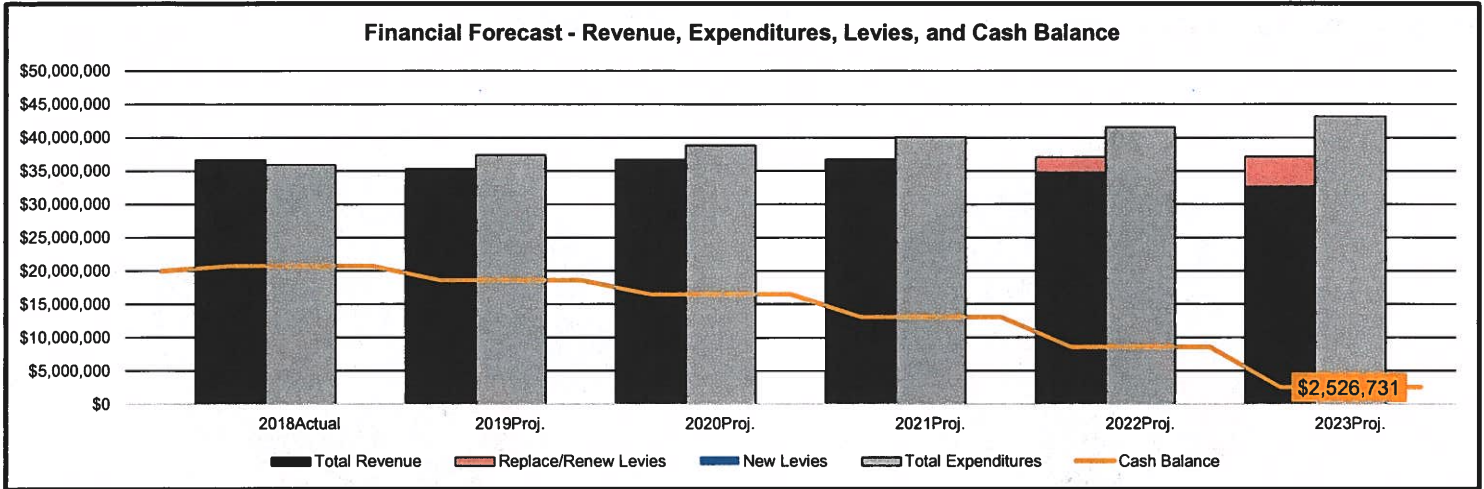
## Forecast Purpose/Objectives

Ohio Department of Education's purposes/objectives for the five-year forecast are:

1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

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

### Forecast Summary



### Revere Local Schools

#### Financial Forecast

	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Beginning Balance	21,293,026	19,198,859	17,060,677	13,684,152	9,143,319
+ Revenue	35,300,285	36,681,763	36,705,162	34,769,126	32,635,942
+ Proposed Renew/Replacement Levies	-	-	-	2,269,500	4,539,026
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(37,394,452)	(38,819,945)	(40,081,687)	(41,579,459)	(43,191,556)
= Revenue Surplus or Deficit	(2,094,167)	(2,138,182)	(3,376,525)	(4,540,833)	(6,016,588)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	19,198,859	17,060,677	13,684,152	9,143,319	3,126,731

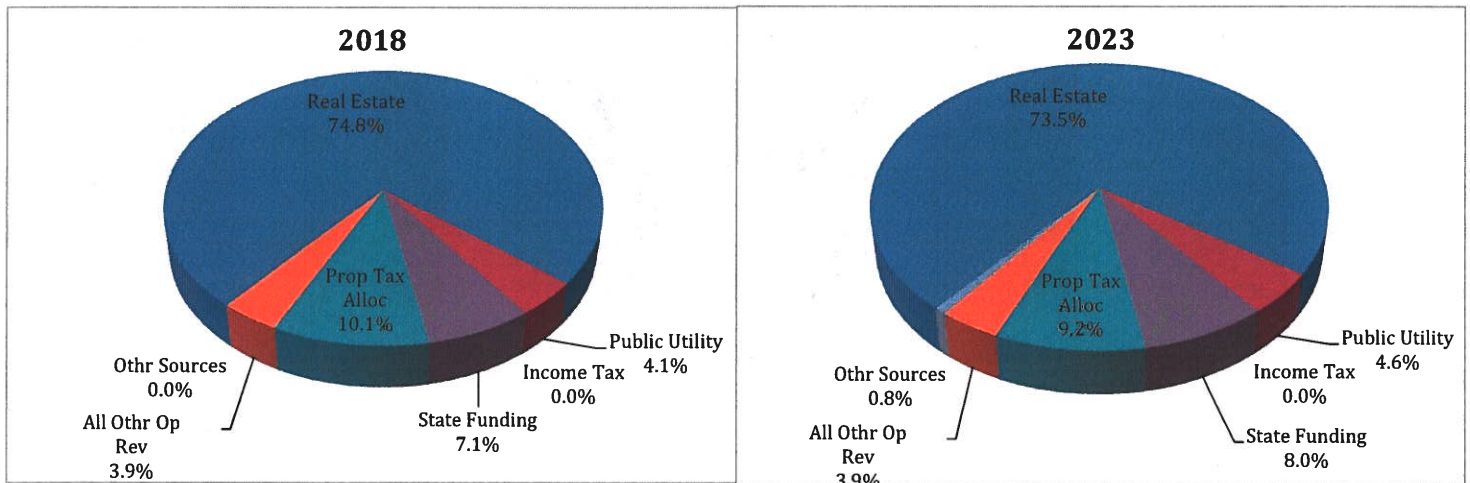
#### Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	(2,094,167)	(2,138,182)	(3,376,525)	(6,810,333)	(10,555,614)
Ending Balance w/o Levies	19,198,859	17,060,677	13,684,152	6,873,819	(3,681,795)

The projected balance of \$2.5 million at June 30, 2023 compares favorably to the October 2018 forecast projected balance of (\$5.2 million). While cash balance is certainly one factor to consider, the "Revenue Surplus or Deficit" is a concern given the \$2.1 million operating deficit in FY19 that increases over the other four years of the forecast. The May 2019 forecast shows a projected ending cash balance for FY19 of \$19.2 million, an increase of approximately \$700,000 over the May 2018 forecast. Increased tax revenues, increased interest earnings, and reduced personnel services (salaries) and employee benefits account for the bulk of this improvement. Our district is very fortunate to have a tax collection rate of 100% of currently billed taxes being collected and distributed to us on annual basis, as well as new construction growth that exceeded prior forecast estimates. State revenues are projected to remain flat for all forecast years. Expenditure growth is a concern that must be managed, and given our existence as a service provider of education to our students, our reliance on staffing is significant and these costs are not small and are not declining.

Passage of the substitute levy, to combine our two current emergency levies into one with no new taxes, being planned for the November 2019 ballot is imperative. Given our current trajectory of increasing expenditures, relatively flat revenues, and declining cash balance, additional operating funds will be necessary at some point during this five-year forecast period.

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

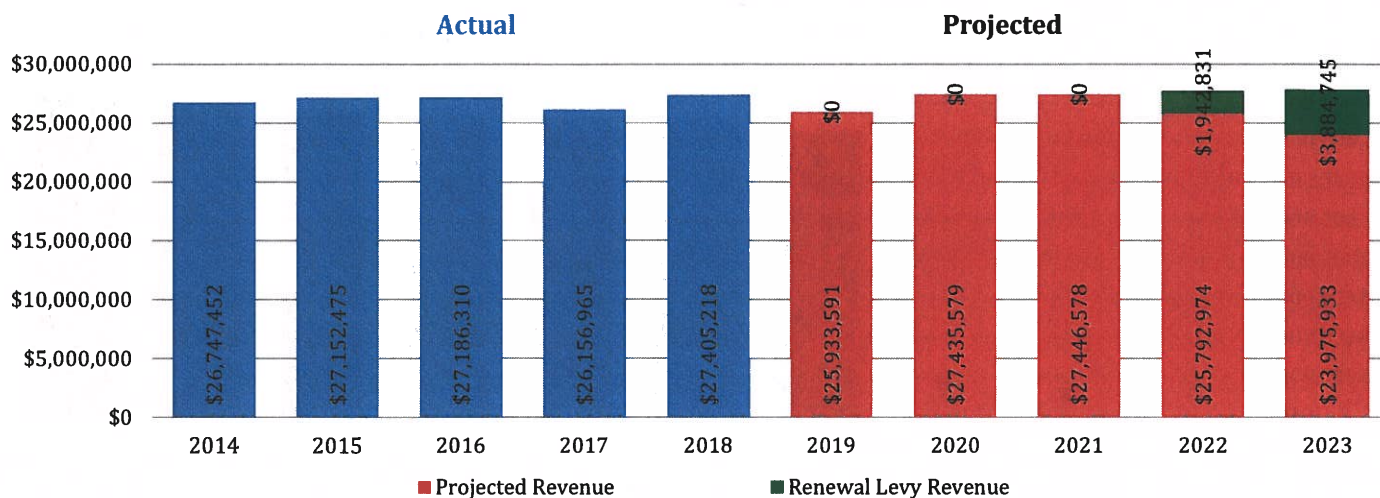


	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
<b>Revenue:</b>							
1.010-Real Estate	0.63%	-5.37%	5.79%	0.04%	1.05%	0.45%	0.39%
1.020-Public Utility	4.29%	0.47%	0.43%	2.26%	2.19%	2.46%	1.56%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	2.03%	3.75%	-3.08%	0.06%	-0.06%	-0.01%	0.13%
1.040-Restricted Aid	2263.44%	-0.46%	-0.04%	0.00%	0.00%	0.00%	-0.10%
1.045-Restr Federal SFSF	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	0.55%	-7.98%	0.32%	1.07%	2.08%	0.93%	-0.72%
1.060-All Other Operating	13.59%	4.97%	-3.96%	-4.12%	-4.29%	-4.49%	-2.38%
1.070-Total Revenue	1.91%	-4.36%	3.94%	0.06%	0.91%	0.37%	0.19%
2.070-Total Other Sources	2223.13%	2484.69%	0.28%	0.00%	0.00%	0.00%	496.99%
2.080-Total w/Other Srcs	-0.30%	-3.69%	3.91%	0.06%	0.91%	0.37%	0.31%

Total revenues are expected to decrease in FY19 from FY18 primarily due to prepaid 2018 property taxes in full to take advantage of federal tax deduction in 2017 prior to 2018 tax law changes. This adjusts in FY20 and out years as tax payments return to normal patterns. The District received the final \$43,000 installment of tangible personal property supplement funding from the State of Ohio in FY18. The Notes and Assumptions page for each revenue category provide more detailed considerations used in the development of this forecast.

### 1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	27,405,218	25,933,591	27,435,579	27,446,578	27,735,805	27,860,678
YOY \$ Change	1,248,253	(1,471,627)	1,501,988	10,999	289,227	124,872
YOY % Change	4.8%	-5.4%	5.8%	0.0%	1.1%	0.5%

Percentage of Total Revenue	74.8%	73.5%	74.8%	74.8%	74.9%	74.9%
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Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2017	988,181,610	82,474,500	29.87	(2.19)	34.34	(1.46)	100.8%
2018	1,009,677,720	21,496,110	29.71	(0.16)	34.00	(0.34)	99.8%
2019	1,015,677,720	6,000,000	29.68	(0.02)	33.94	(0.06)	99.9%
2020	1,068,738,866	53,061,146	28.68	(1.00)	33.15	(0.79)	99.8%
2021	1,073,738,866	5,000,000	28.67	(0.01)	33.22	0.08	99.8%
2022	1,079,738,866	6,000,000	28.65	(0.02)	33.17	(0.05)	99.8%

General Property Tax (Real Estate) accounts for 73.5% of District revenues.

Revenues are projected to decrease slightly in FY19 due to prepaid 2018 property taxes in full to take advantage of federal tax deduction in 2017 prior to 2018 tax law changes. This adjusts in FY20 and out years as tax payments return to normal patterns.

Revenue increase in FY18 partially caused by inside millage growth from the property reappraisal in Summit County for tax year 2017 (collection year 2018), in addition to anticipated new construction in all forecast years. Triennial update property valuation increase in tax year 2020 is estimated at 5.0%.

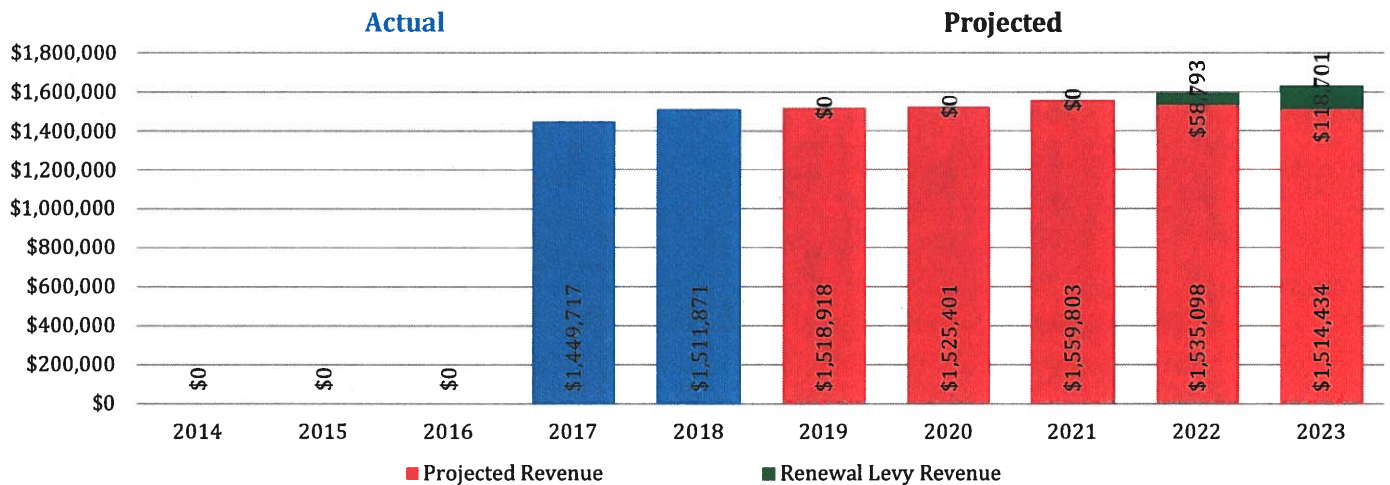
District collected approximately 100% of estimated tax revenues for tax years 2015 through 2018, and this collection rate is used for all forecast years.

Increase revenue in FY19 and out years due to higher than estimated new construction becoming taxable in tax year 2018 (collection year 2019). October 2018 forecast estimated \$6.2 million residential and \$1.1 million commercial growth based on historical averages, while actuals are \$11.7 million and \$11.4 million respectively. In discussions with the Summit County Fiscal Office, it is believed that \$9.7 million of the commercial increase may become tax exempt, thus a refund amount is being carried in the Intergovernmental expenditure category since taxes are currently being paid.

*\*Projected % trends include renewal levies*

### 1.020 - Public Utility Personal Property

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	1,511,871	1,518,918	1,525,401	1,559,803	1,593,891	1,633,135
YOY \$ Change	62,154	7,047	6,483	34,402	34,088	39,244
YOY % Change	4.3%	0.5%	0.4%	2.3%	2.2%	2.5%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	4.1%	4.3%	4.2%	4.2%	4.3%	4.4%

Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2017	26,116,590	1,139,700	58.74	(0.90)	102.5%
2018	25,721,820	(394,770)	58.55	(0.19)	100.0%
2019	26,421,820	700,000	58.49	(0.06)	100.0%
2020	27,121,820	700,000	58.04	(0.45)	100.0%
2021	27,821,820	700,000	58.00	(0.04)	100.0%
2022	28,521,820	700,000	57.94	(0.05)	100.0%

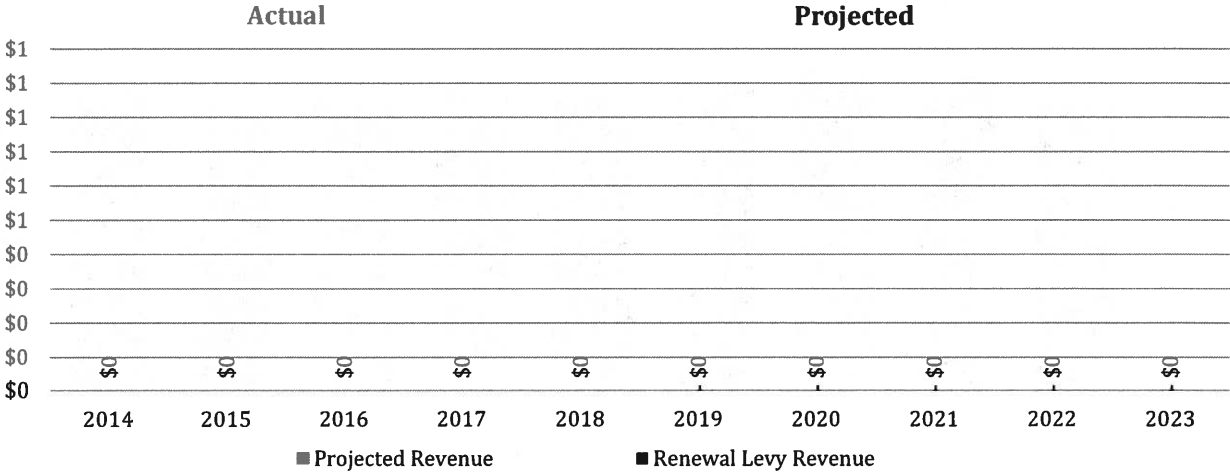
Public Utility Personal Property tax accounts for 4.3% of District revenues.

In prior forecasts, revenues were projected to increase slightly for several future forecast years due to additional new construction valuation based on past six tax years of historical growth, with slight declines projected beginning FY22 as depreciation on these assets begins to occur. These declines actually occurred for FY19, thus estimated revenues have been reduced based on updated tax valuations.

*\*Projected % trends include renewal levies*

**1.030 - Income Tax**

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.



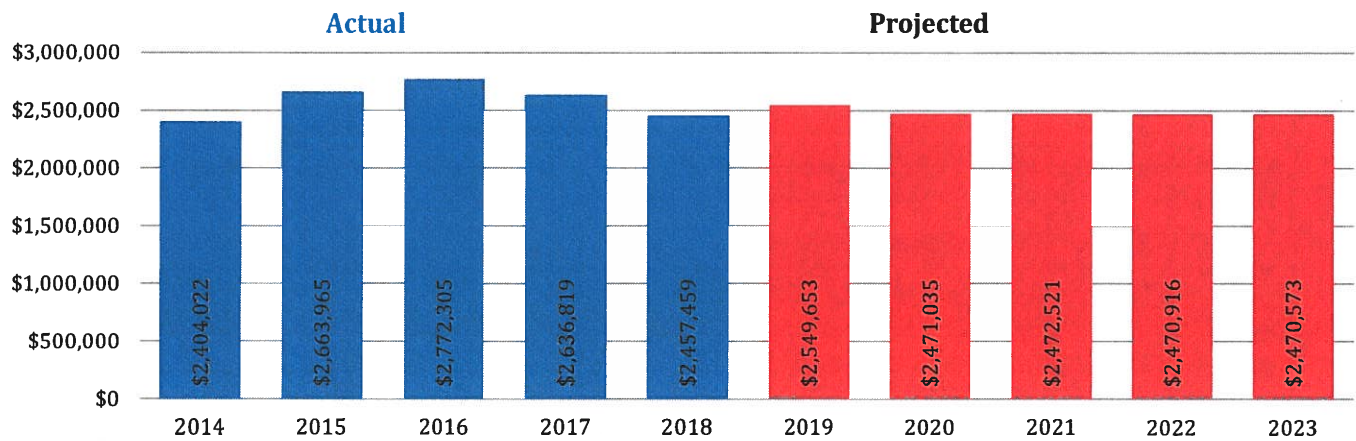
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	-	-	-	-	-	-
YOY \$ Change	-	-	-	-	-	-
YOY % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Revere Local Schools does not have an income tax.

*\*Projected % trends include renewal levies*

### 1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	2,457,459	2,549,653	2,471,035	2,472,521	2,470,916	2,470,573
YOY \$ Change	(179,360)	92,194	(78,618)	1,486	(1,605)	(343)
YOY % Change	-6.8%	3.8%	-3.1%	0.1%	-0.1%	0.0%
Percentage of Total Revenue	6.7%	7.2%	6.7%	6.7%	6.7%	6.6%
Core Funding Per Pupil	6,010	6,020	6,050	6,100	6,150	6,200
State Share Index (SSI)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
State Core Funding Per Pupil	301	301	303	305	308	310
Formula ADM (Funded Student Count)	2,697	2,705	2,663	2,691	2,669	2,663
Funding Status	Guarantee	Guarantee	Guarantee	Guarantee	Guarantee	Guarantee

Unrestricted Grants-in-Aid accounts for 7.2% of District revenues.

Revenues are projected to remain flat for all forecast years due to State foundation "guarantee" funding status for District. Increase in FY19 over FY18 is due to receipt of preschool special education funding for FY18 caused by EMIS coding issue corrected with ODE in next fiscal year.

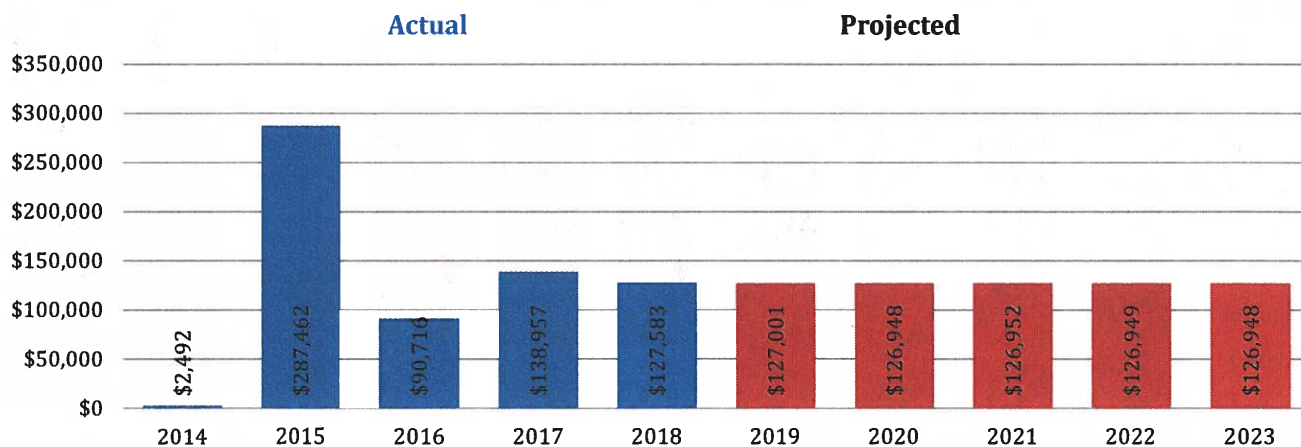
District received final installment (\$43,000) of tangible personal property tax supplement funding from State in FY18.

Casino revenues of \$140,000 are included in this category.



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

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	127,583	127,001	126,948	126,952	126,949	126,948
YOY \$ Change	(11,374)	(582)	(53)	4	(3)	(1)
YOY % Change	-8.2%	-0.5%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.3%	0.4%	0.3%	0.3%	0.3%	0.3%
Economic Disadvantaged Funding	483	473	420	424	421	420
Percentage of Disadvantaged Students	5.4%	6.8%	5.1%	5.1%	5.1%	5.1%

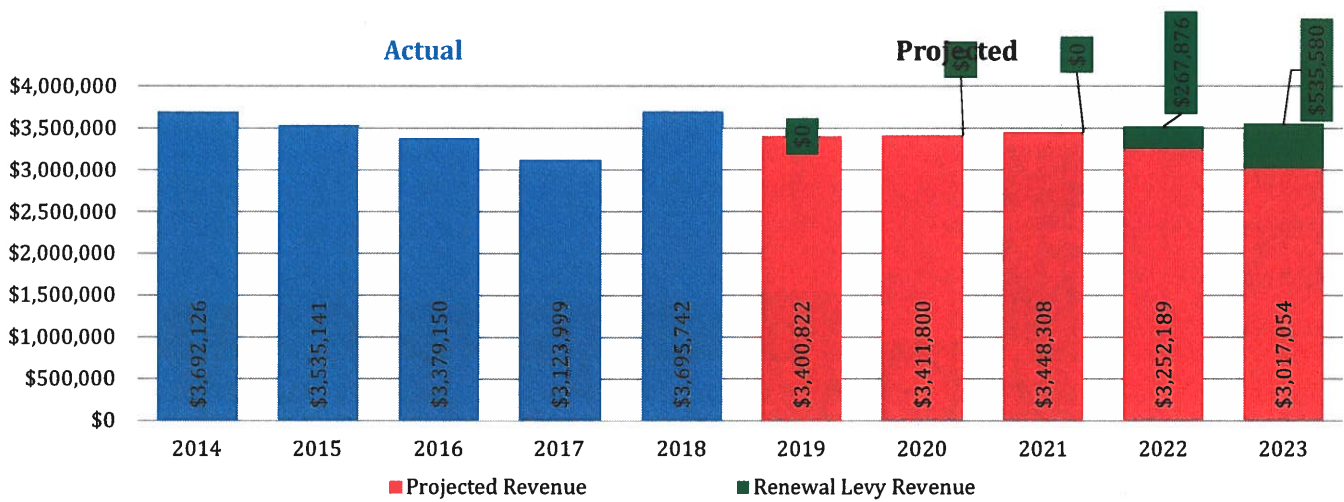
Restricted Grants-in-Aid accounts for .4% of District revenues.

Revenues are projected to remain for all forecast years as the District has been on the State guarantee funding allowance for numerous years.

Catastrophic cost special education funding reimbursement from State for high cost special education students accounts for nearly all of this revenue source.

### 1.050 - Property Tax Allocation

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	3,695,742	3,400,822	3,411,800	3,448,308	3,520,065	3,552,634
YOY \$ Change	571,743	(294,920)	10,978	36,508	71,757	32,569
YOY % Change	18.3%	-8.0%	0.3%	1.1%	2.1%	0.9%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	10.1%	9.6%	9.3%	9.4%	9.5%	9.6%

	2018	2019	2020	2021	2022	2023
% of Residential Real Estate 10% Rollback	10.21%	10.21%	10.21%	10.21%	10.21%	10.21%
% of Residential Real Estate 2.5% Rollback	2.11%	2.11%	2.11%	2.11%	2.11%	2.11%
% of Residential Real Estate Homestead	1.46%	1.46%	1.46%	1.46%	1.46%	1.46%

Property Tax Allocation accounts for 9.6% of District revenues.

This revenue source comes from homestead and rollback payments paid by the State on behalf of residential property tax owners. Residential, owner-occupied properties receive a 12.5% property tax reduction on existing tax levies, and residential, non-owner-occupied properties receive a 10.0% property tax reduction on existing tax levies, both of which are considered "rollback." The homestead payments made by the State help offset taxes for certain residential, owner-occupied properties wherein the owner meets certain age and income requirements.

Revenues increased slightly in FY18 due to inside millage growth from tax reappraisals and triennial updates, as indicated in the notes for 1.010 General Property Tax (Real Estate).

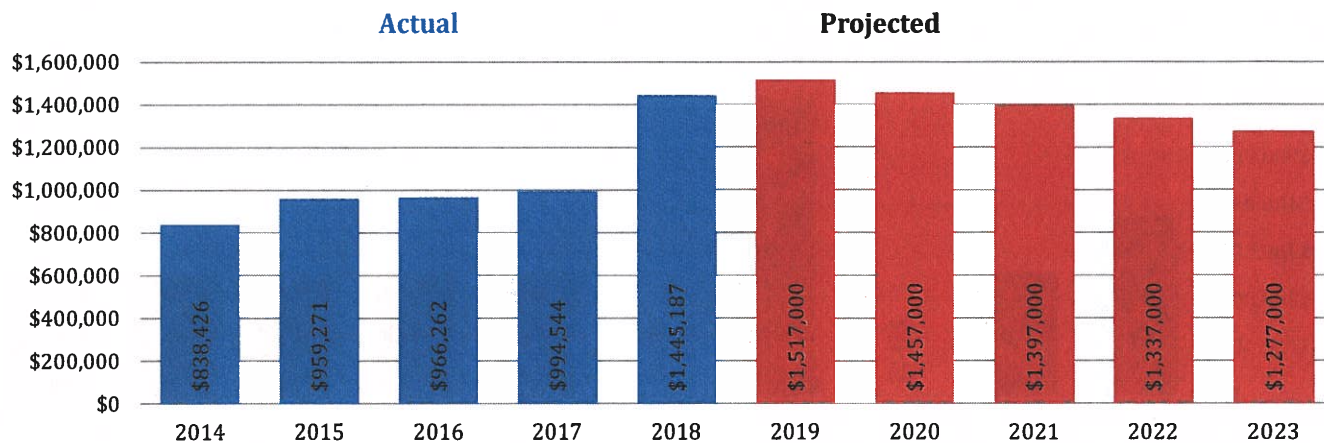
Revenues also increase in FY18 from FY17 due to prepaid 2018 property taxes in full to take advantage of federal tax deduction in 2017 prior to 2018 tax law changes, as the State pays the 12.5% or 10% homestead and rollback payments on any 2018 property taxes paid in 2017 to take advantage of this deduction before the 2018 federal tax law changes. This will adjust in FY19 and out years as tax payments return to normal patterns.

FY18 also shows an increase due to correction of a \$305,000 receipt posting error to the bond retirement and permanent improvement funds that was due to the general funds. This will not reoccur.

*\*Projected % trends include renewal levies*

### 1.060 - All Other Operating Revenues

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	1,445,187	1,517,000	1,457,000	1,397,000	1,337,000	1,277,000
YOY \$ Change	450,643	71,813	(60,000)	(60,000)	(60,000)	(60,000)
YOY % Change	45.3%	5.0%	-4.0%	-4.1%	-4.3%	-4.5%
Percentage of Total Revenue	3.9%	4.3%	4.0%	3.8%	3.6%	3.4%

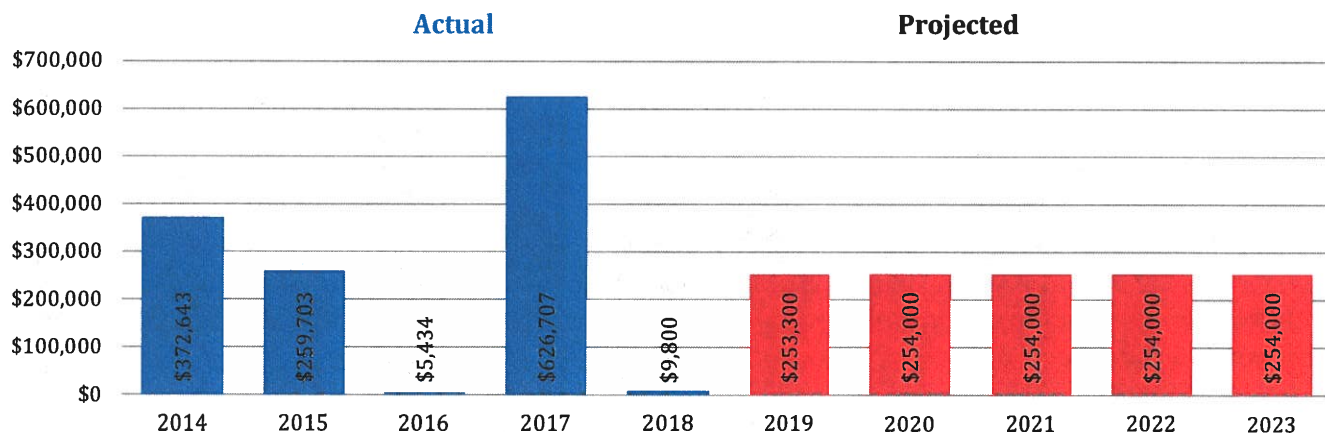
All Other Operating Revenues accounts for 4.3% of District revenues.

This category is comprised of tuition, student fees, investment earnings, mobile home taxes, and payments in lieu of taxes for Village of Richfield development agreements. The Village has held the District harmless from revenue losses related to these development agreements.

The increase in all forecast years above FY17 revenues is primarily due to increased investment earnings.

## 2.070 - Total Other Financing Sources

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

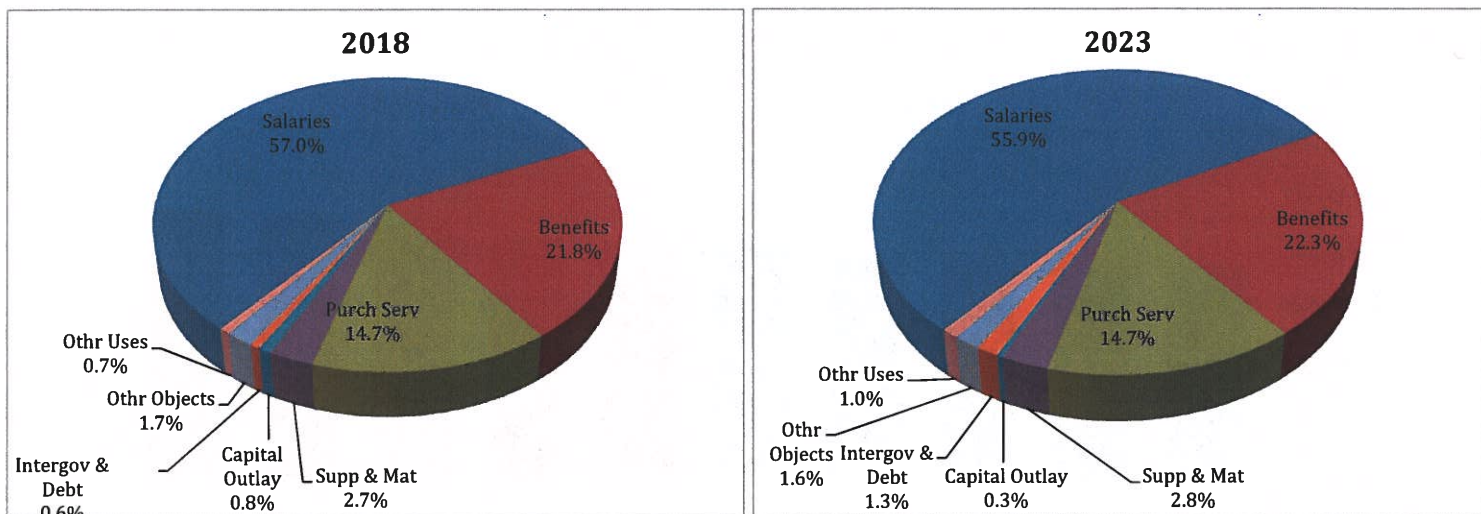


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	9,800	253,300	254,000	254,000	254,000	254,000
YOY \$ Change	(616,907)	243,500	700	-	-	-
YOY % Change	-98.4%	2484.7%	0.3%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.0%	0.7%	0.7%	0.7%	0.7%	0.7%
Transfers In	-	-	-	-	-	-
Advances In	-	250,000	250,000	250,000	250,000	250,000

Total Other Financing Sources accounts for 0.7% of District revenues.

This revenue source primarily accounts for the return of advances to other funds of the District. These revenues are simply a return of temporary "loans" for cash flow purposes to these other funds, thus there is an offsetting expense in the prior or current fiscal year, resulting in no gain or loss to the District.

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

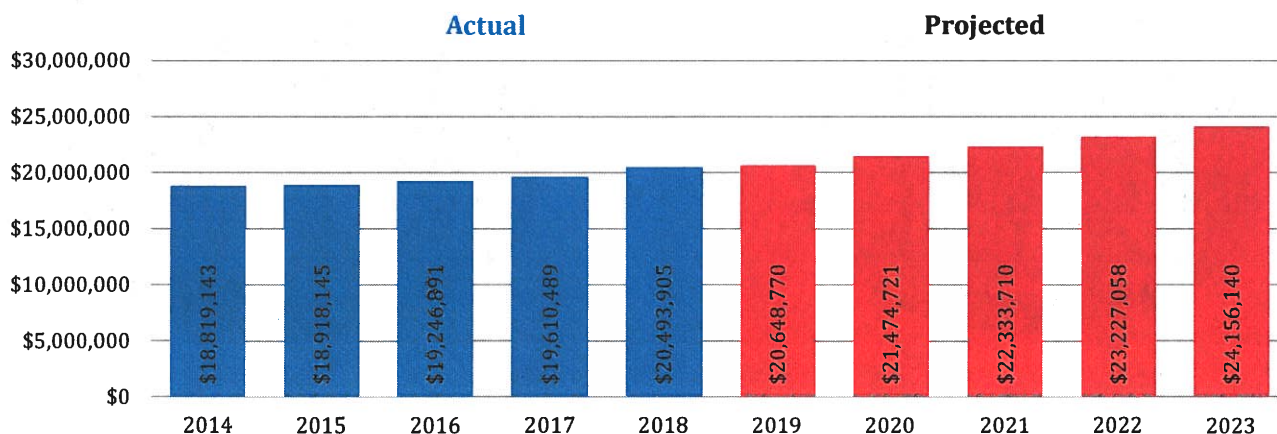


	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
<b>Expenditures:</b>							
3.010-Salaries	1.79%	0.76%	4.00%	4.00%	4.00%	4.00%	3.35%
3.020-Benefits	3.05%	7.15%	-1.57%	5.08%	5.09%	5.67%	4.29%
3.030-Purchased Services	6.43%	11.51%	1.29%	2.02%	2.02%	2.02%	3.77%
3.040-Supplies & Materials	-6.19%	15.48%	2.00%	2.00%	2.00%	2.00%	4.70%
3.050-Capital Outlay	10.89%	-53.24%	2.00%	2.00%	2.00%	2.00%	-9.05%
3.060-Intergov	n/a	n/a	n/a	-33.33%	0.00%	0.00%	-11.11%
4.010-4.060-Debt	68.06%	0.47%	232.55%	-23.31%	0.00%	0.00%	41.94%
4.300-Other Objects	0.31%	1.35%	2.00%	2.00%	2.00%	2.00%	1.87%
4.500-Total Expenditures	2.14%	3.73%	3.61%	3.29%	3.78%	3.92%	3.67%
5.040-Total Other Uses	-10.34%	43.97%	25.03%	0.00%	0.00%	0.00%	13.80%
5.050-Total w/Other Uses	-0.02%	4.01%	3.81%	3.25%	3.74%	3.88%	3.74%

Total expenditures are expected to increase in FY19 from FY18 in all categories except Capital Outlay. Increased staffing costs related to salary increases, additional special education aides, and reduced federal grant funding shifting benefits cost for grant funded employees to general fund, in addition to a 6.85% premium increase for medical and prescription drug insurance programs impact FY19. Personnel Services (salaries) were projected to increase 4% in FY19 in the October 2018 forecast. Actual costs are trending at a .8% increase, which followed a 4.5% increase in FY18. Reduction of one teaching position, attrition savings from new hires, and reduced retirement severance pay have positively impacted this forecast. Additionally, the October 2018 forecast included an estimated 9% insurance premium increase for FY19 and beyond; however the FY20 increase is -2% and employees will pay an additional 1%, thus an estimated annual savings of nearly \$600,000. Special education services and out-of-district placement costs continue to increase in Purchased Services. The Notes and Assumptions page for each expenditure category provide more detailed considerations used in the development of this forecast.

### 3.010 - Personnel Services

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	20,493,905	20,648,770	21,474,721	22,333,710	23,227,058	24,156,140
YOY \$ Change	883,416	154,865	825,951	858,989	893,348	929,082
YOY % Change	4.5%	0.8%	4.0%	4.0%	4.0%	4.0%
Percentage of Total Budget	57.0%	55.2%	55.3%	55.7%	55.9%	55.9%

Personnel Services accounts for 55.2% of District expenditures.

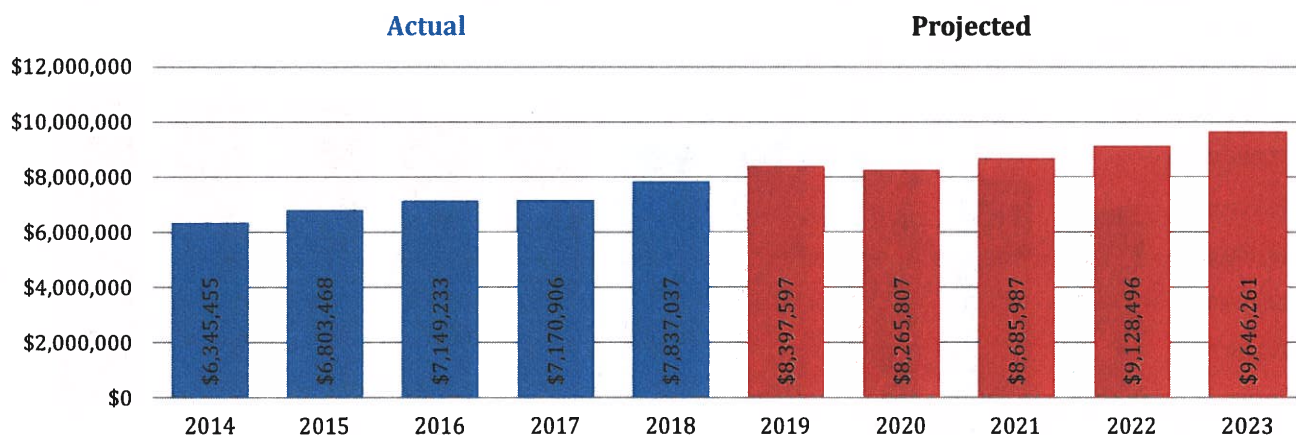
2018/2019 school year staffing counts as of April 2019 are used as the basis for this forecast. All provisions of current negotiated agreements are included. Base and step/education increases of 2% and 2% respectively are included for FY20 and out years. Additional staff are not included for FY20 and out years of this forecast.

Salaries were projected to increase 4% in FY19 in the October 2018 forecast. Actual costs are trending at a .8% increase, which followed a 4.5% increase in FY18. Reduction of one teaching position, attrition savings from new hires, and reduced retirement severance pay have positively impacted this forecast. The savings in FY19 are cumulative in other future forecast years, thus a significant improvement to the projected balance at June 30, 2023.

Severance payments to retirees increased by \$166,000 in FY18 over FY17, and this amount was projected to continue for all forecast years in the October 2018 forecast. This amount has been adjusted to actuals for FY19 and continued at this reduced level for FY20 to FY23.

### 3.020 - Employees' Benefits

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	7,837,037	8,397,597	8,265,807	8,685,987	9,128,496	9,646,261
YOY \$ Change	666,131	560,560	(131,790)	420,180	442,509	517,765
YOY % Change	9.3%	7.2%	-1.6%	5.1%	5.1%	5.7%
Percentage of Total Budget	21.8%	22.5%	21.3%	21.7%	22.0%	22.3%

Employees' Benefits accounts for 22.5% of District expenditures.

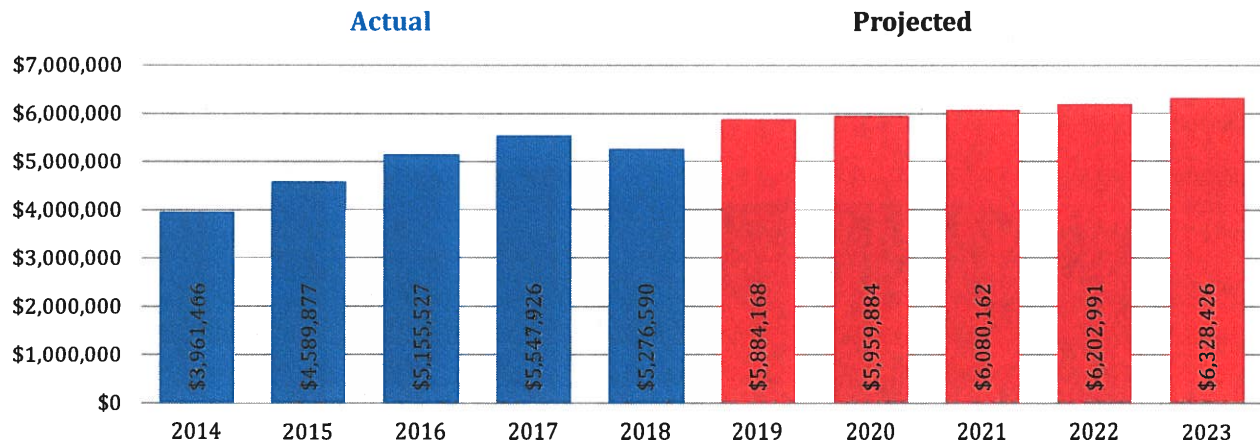
Insurance counts and premiums for April 2019 are used for the base cost calculations, as well as the respective forecast years' Personnel Services (salaries) which drive the retirement/medicare/workers' compensation costs (estimated 16.8% of total salaries). Medical and prescription insurance premiums increased 6.85% for FY19. Vision insurance premiums increased 9.2% for FY19. Dental insurance premiums are unchanged. Medical/Rx premiums will decrease 2% in FY20, while dental and vision premiums will not change. Employee premium share for all employees will increase 1% for FY20.

Insurance premium increases of 6% blended rate are included for FY21 and FY22 based on an estimated increase of 7% and an increase in employee share of 1% of premium per negotiated agreements. FY23 premiums increase 7%. Premiums increased 9.2% for FY18 for medical/prescription insurance, and 0% for dental, vision and life insurances. Employee premium share increased by .5% to 11.5% for certified and administrative staff, and to 7.5% for classified staff, effective July 1, 2017. Administration, exempt support, and REA-represented employees will incur 1% annual employee share premium increases beginning FY20 for three years. OAPSE-represented employees will incur 1% annual employee share premium beginning FY20 for two years.

All provisions of current negotiated agreements are included.

### 3.030 - Purchased Services

Amounts paid for personal services rendered by personnel who are not on the payroll of the school district, and other services which the school district may purchase.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	5,276,590	5,884,168	5,959,884	6,080,162	6,202,991	6,328,426
YOY \$ Change	(271,336)	607,578	75,716	120,278	122,829	125,435
YOY % Change	-4.9%	11.5%	1.3%	2.0%	2.0%	2.0%
Percentage of Total Budget	14.7%	15.7%	15.4%	15.2%	14.9%	14.7%

Purchased Services accounts for 15.7% of District expenditures.

Utilities, special education services, staffing services procured from Educational Service Center of Cuyahoga County, building maintenance and repairs, property and fleet insurance, copier leases/costs, technology services and repairs, legal and other professional services, and staff professional development comprise the majority of these expenditures.

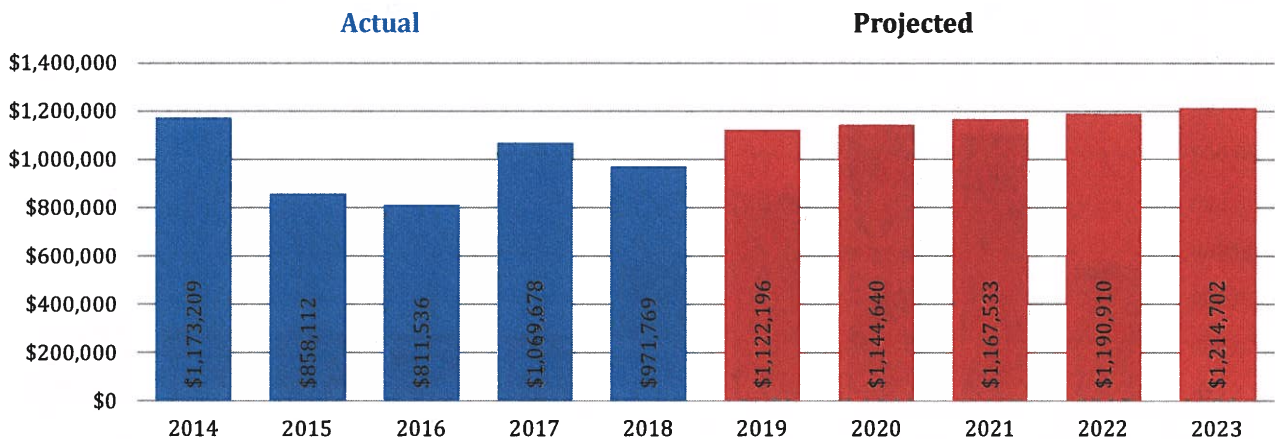
FY19 appropriations approved by the Board of Education are used as the basis for this forecast, with application of 94% of authorized budgets being expended based upon FYTD actuals for FY19. October 2018 forecast used 90% for this calculation, but FY19 actuals through first ten months of FY support show increased percentage of reduced budgets being expended. FY19 budgets established in May 2018 were reduced by \$527,000 from prior fiscal year. 2% inflationary growth is generally applied to all purchased services items for FY20 and out years of this forecast.

Apple 1:1 technology leases for students in grades 7 to 12 are paid from District permanent improvement funds, thus are not part of this forecast.



### 3.040 - Supplies & Materials

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	971,769	1,122,196	1,144,640	1,167,533	1,190,910	1,214,702
YOY \$ Change	(97,909)	150,427	22,444	22,893	23,377	23,792
YOY % Change	-9.2%	15.5%	2.0%	2.0%	2.0%	2.0%
Percentage of Total Budget	2.7%	3.0%	2.9%	2.9%	2.9%	2.8%

Supplies & Materials accounts for 3.0% of District expenditures.

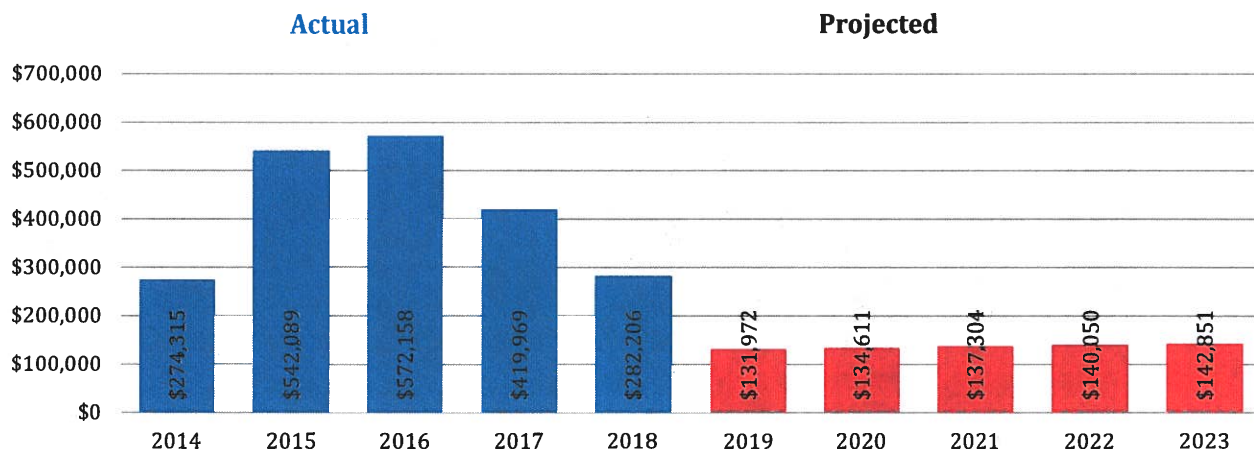
Textbooks, custodial and maintenance supplies, software, technology supplies, and paper and other building/office supplies comprise the majority of these expenditures.

FY19 appropriations approved by the Board of Education are used as the basis for this forecast, with application of 87% of authorized budgets being expended based upon FYTD actuals for FY19. October 2018 forecast used 90% based upon prior fiscal years' historical averages. FY19 budgets established in May 2018 were reduced by \$252,000 from prior fiscal year. 2% inflationary growth is generally applied to all supplies and materials items for FY20 and out years of this forecast.

Elementary grades Chromebooks replacements budgeted at \$150,000 annually over three years (FY20 to FY22) in October 2018 forecast have been eliminated due to inclusion of ipads for grades K-12 in new Apple lease paid from Permanent Improvement funds.

### 3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	282,206	131,972	134,611	137,304	140,050	142,851
YOY \$ Change	(137,763)	(150,234)	2,639	2,693	2,746	2,801
YOY % Change	-32.8%	-53.2%	2.0%	2.0%	2.0%	2.0%

Percentage of Total Budget	0.8%	0.4%	0.3%	0.3%	0.3%	0.3%
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Capital Outlay accounts for 0.4% of District expenditures.

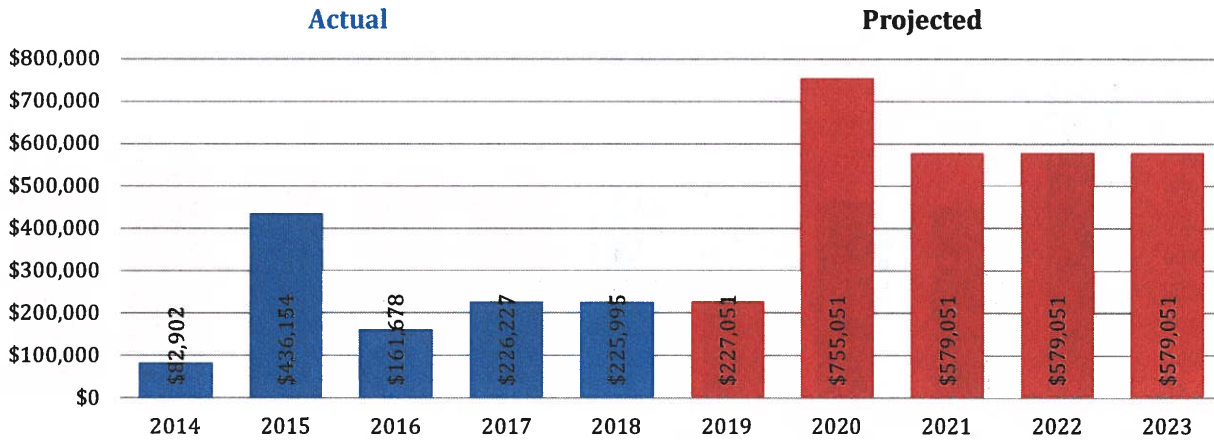
Equipment for technology and other instructional uses, custodial/maintenance, security, and transportation comprises the majority of these expenditures.

FY19 appropriations approved by the Board of Education are used as the basis for this forecast, with application of 65% of authorized budgets being expended based FYTD actuals for FY19. FY19 budgets established in May 2018 were reduced by \$180,000 from prior fiscal year. October 2018 forecast used 100%. 2% inflationary growth is generally applied to all capital outlay items for FY20 and out years of this forecast.

Replacement bus purchases are paid from District permanent improvement funds, thus are not part of this forecast.

### 3.060-4.060 - Intergovernmental & Debt

These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	225,995	227,051	755,051	579,051	579,051	579,051
YOY \$ Change	(232)	1,056	528,000	(176,000)	-	-
YOY % Change	-0.1%	0.5%	232.5%	-23.3%	0.0%	0.0%
Percentage of Total Budget	0.6%	0.6%	1.9%	1.4%	1.4%	1.3%

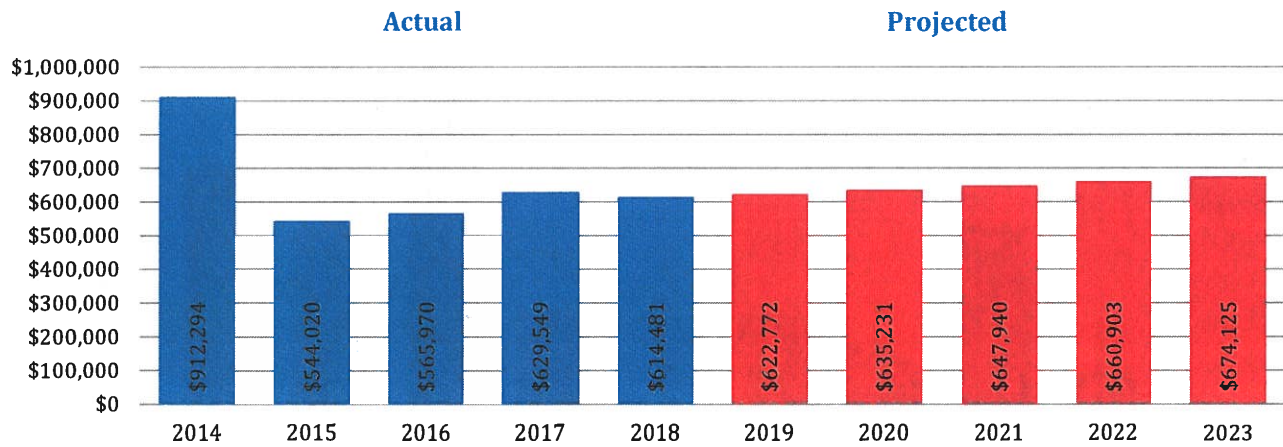
Intergovernmental & Debt accounts for .6% of District expenditures.

The District completed a House Bill 264 energy conservation project in various buildings, and the debt repayment from operational savings from reduced energy consumption occurs in this category. The District is obligated for a \$215,000 annual principal payment, and estimated annual interest of \$15,000, until December 1, 2026 (FY27). Payments for FY27 and FY26 will be eliminated and/or reduced due to investment of these annual principal funds in a "sinking fund" for debt retirement for the 15 year time period.

In discussions with the Summit County Fiscal Office, it is believed that \$9.7 million of the commercial tax valuation increase may become tax exempt, thus a refund amount is being carried in this category since taxes are currently being paid. The FY20 amount includes the one-half year tax payment (general fund millage only) received in FY19 when taxes first paid.

### 4.300 - Other Objects

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	614,481	622,772	635,231	647,940	660,903	674,125
YOY \$ Change	(15,068)	8,291	12,459	12,709	12,963	13,222
YOY % Change	-2.4%	1.3%	2.0%	2.0%	2.0%	2.0%

Percentage of Total Budget	2018	2019	2020	2021	2022	2023
	1.7%	1.7%	1.6%	1.6%	1.6%	1.6%

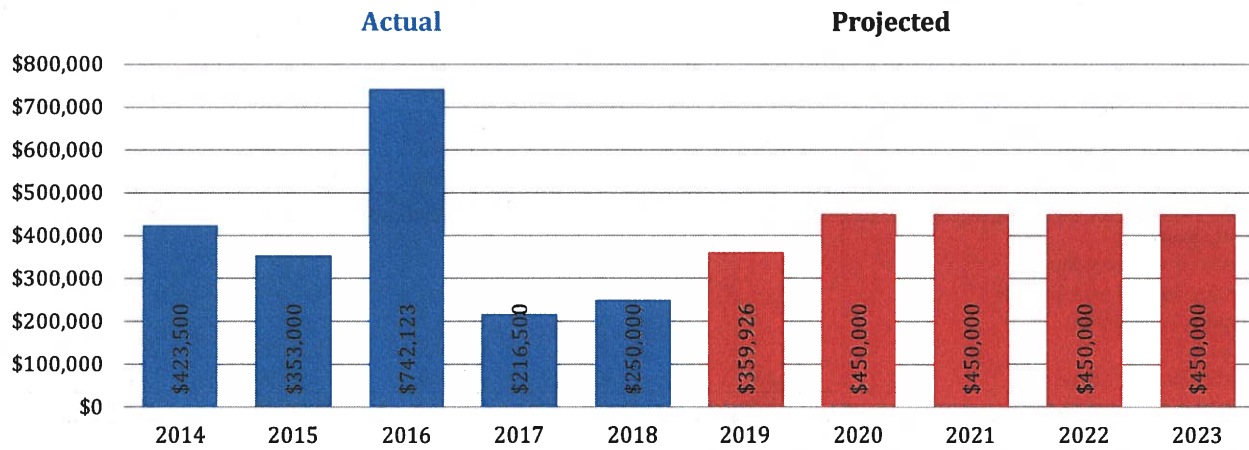
Other Objects accounts for 1.7% of District expenditures.

FY19 appropriations approved by the Board of Education are used as the basis for this forecast, with application of 85% of authorized budgets being expended based FYTD actuals for FY19. 2% inflationary growth is generally applied to all other objects items for FY19 and out years. October 2018 forecast used 90% based upon prior fiscal years' historical averages.

Tax collection fees charged by Summit County, liability insurance, and memberships comprise the majority of these expenditures.

### 5.040 - Total Other Financing Uses

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	250,000	359,926	450,000	450,000	450,000	450,000
YOY \$ Change	33,500	109,926	90,074	-	-	-
YOY % Change	15.5%	44.0%	25.0%	0.0%	0.0%	0.0%

Percentage of Total Budget	0.7%	1.0%	1.2%	1.1%	1.1%	1.0%
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Transfers Out	-	109,926	200,000	200,000	200,000	200,000
Advances Out	250,000	250,000	250,000	250,000	250,000	250,000

Total Other Financing Uses accounts for 1.0% of District expenditures.

Advances and transfers to food services and athletics are recorded in this category. Advances are simply a temporary “loan” for cash flow purposes to these other funds, thus there is offsetting revenue in the current or subsequent fiscal year, resulting in no gain or loss to the District. Advances of \$150,000 to food services and \$100,000 to athletics are included for all forecast years. Transfers are permanent allocations of resources to the receiving funds, used to help offset operating costs. Transfers will be made in the next fiscal year to only provide funding for the actual operating deficit from the prior fiscal year. Estimates for annual transfers to food services and athletics are \$150,000 and \$100,000 for FY20 to FY23 to include the new fitness training program for Revere student-athletes.

## Revere Local Schools

### Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2018	2019	2020	2021	2022	2023
<b>Revenue:</b>						
1.010 - General Property Tax (Real Estate)	27,405,218	25,933,591	27,435,579	27,446,578	25,792,974	23,975,933
1.020 - Public Utility Personal Property	1,511,871	1,518,918	1,525,401	1,559,803	1,535,098	1,514,434
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	2,457,459	2,549,653	2,471,035	2,472,521	2,470,916	2,470,573
1.040 - Restricted Grants-in-Aid	127,583	127,001	126,948	126,952	126,949	126,948
1.050 - Property Tax Allocation	3,695,742	3,400,822	3,411,800	3,448,308	3,252,189	3,017,054
1.060 - All Other Operating Revenues	1,445,187	1,517,000	1,457,000	1,397,000	1,337,000	1,277,000
<b>1.070 - Total Revenue</b>	<b>36,643,060</b>	<b>35,046,985</b>	<b>36,427,763</b>	<b>36,451,162</b>	<b>34,515,126</b>	<b>32,381,942</b>
<b>Other Financing Sources:</b>						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	-	250,000	250,000	250,000	250,000	250,000
2.060 - All Other Financing Sources	9,800	3,300	4,000	4,000	4,000	4,000
2.070 - Total Other Financing Sources	9,800	253,300	254,000	254,000	254,000	254,000
<b>2.080 - Total Rev &amp; Other Sources</b>	<b>36,652,860</b>	<b>35,300,285</b>	<b>36,681,763</b>	<b>36,705,162</b>	<b>34,769,126</b>	<b>32,635,942</b>
<b>Expenditures:</b>						
3.010 - Personnel Services	20,493,905	20,648,770	21,474,721	22,333,710	23,227,058	24,156,140
3.020 - Employee Benefits	7,837,037	8,397,597	8,265,807	8,685,987	9,128,496	9,646,261
3.030 - Purchased Services	5,276,590	5,884,168	5,959,884	6,080,162	6,202,991	6,328,426
3.040 - Supplies and Materials	971,769	1,122,196	1,144,640	1,167,533	1,190,910	1,214,702
3.050 - Capital Outlay	282,206	131,972	134,611	137,304	140,050	142,851
Intergovernmental & Debt Service	225,995	227,051	755,051	579,051	579,051	579,051
4.300 - Other Objects	614,481	622,772	635,231	647,940	660,903	674,125
<b>4.500 - Total Expenditures</b>	<b>35,701,983</b>	<b>37,034,526</b>	<b>38,369,945</b>	<b>39,631,687</b>	<b>41,129,459</b>	<b>42,741,556</b>
<b>Other Financing Uses</b>						
5.010 - Operating Transfers-Out	-	109,926	200,000	200,000	200,000	200,000
5.020 - Advances-Out	250,000	250,000	250,000	250,000	250,000	250,000
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	250,000	359,926	450,000	450,000	450,000	450,000
<b>5.050 - Total Exp and Other Financing Uses</b>	<b>35,951,983</b>	<b>37,394,452</b>	<b>38,819,945</b>	<b>40,081,687</b>	<b>41,579,459</b>	<b>43,191,556</b>
<b>6.010 - Excess of Rev Over/(Under) Exp</b>	<b>700,877</b>	<b>(2,094,167)</b>	<b>(2,138,182)</b>	<b>(3,376,525)</b>	<b>(6,810,333)</b>	<b>(10,555,614)</b>
7.010 - Cash Balance July 1 (No Levies)	20,592,149	21,293,026	19,198,859	17,060,677	13,684,152	6,873,819
<b>7.020 - Cash Balance June 30 (No Levies)</b>	<b>21,293,026</b>	<b>19,198,859</b>	<b>17,060,677</b>	<b>13,684,152</b>	<b>6,873,819</b>	<b>(3,681,795)</b>
<b>Reservations</b>						
8.010 - Estimated Encumbrances June 30	541,329	600,000	600,000	600,000	600,000	600,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
<b>10.010 - Fund Bal June 30 for Cert of App</b>	<b>20,751,697</b>	<b>18,598,859</b>	<b>16,460,677</b>	<b>13,084,152</b>	<b>6,273,819</b>	<b>(4,281,795)</b>
<b>Rev from Replacement/Renewal Levies</b>						
11.010 & 11.020 - Renewal Levies	-	-	-	-	2,269,500	4,539,026
11.030 - Cumulative Balance of Levies	-	-	-	-	2,269,500	6,808,526
<b>12.010 - Fund Bal June 30 for Cert of Obligations</b>	<b>20,751,697</b>	<b>18,598,859</b>	<b>16,460,677</b>	<b>13,084,152</b>	<b>8,543,319</b>	<b>2,526,731</b>
<b>Revenue from New Levies</b>						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
<b>15.010 - Unreserved Fund Balance June 30</b>	<b>20,751,697</b>	<b>18,598,859</b>	<b>16,460,677</b>	<b>13,084,152</b>	<b>8,543,319</b>	<b>2,526,731</b>