

Celina City School District Schedule Of Revenue, Expenditures and Changes In Fund Balances Actual and Forecasted Operating Fund								
	ACTUAL			FORECASTED				
	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Revenue:								
1.010 - General Property Tax (Real Estate)	11,350,426	11,781,980	12,096,252	11,993,366	11,915,515	11,896,407	11,914,197	9,858,876
1.020 - Public Utility Personal Property	285,760	267,555	227,259	454,570	233,521	209,839	194,891	152,374
1.030 - Income Tax	2,541,206	2,726,113	2,692,279	2,800,361	2,994,189	3,282,156	3,638,435	3,670,397
1.035 - Unrestricted Grants-in-Aid	11,955,679	12,386,094	12,751,819	12,772,606	12,696,673	12,693,425	12,691,208	12,692,407
1.040 - Restricted Grants-in-Aid	284,128	320,917	398,249	354,370	358,778	359,105	358,350	355,152
1.045 - Restricted Federal Grants-in-Aid - SFSF	-	-	-	-	-	-	-	-
1.050 - Property Tax Allocation	1,705,373	1,733,543	1,726,248	1,711,636	1,681,369	1,686,930	1,691,931	1,393,576
1.060 - All Other Operating Revenues	1,455,030	1,308,940	1,436,107	1,497,573	1,420,445	1,421,333	1,417,240	1,412,165
1.070 - Total Revenue	29,577,602	30,525,142	31,328,213	31,584,481	31,300,490	31,549,196	31,906,251	29,534,947
Other Financing Sources:								
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-	-	-
2.020 - State Emergency Loans and Advancements	-	-	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-	-	-
2.050 - Advances-In	341,500	324,000	106,000	-	-	-	-	-
2.060 - All Other Financing Sources	137,118	14,798	155,627	80,005	25,000	25,000	25,000	25,000
2.070 - Total Other Financing Sources	478,618	338,798	261,627	80,005	25,000	25,000	25,000	25,000
2.080 - Total Revenues and Other Financing Sources	30,056,220	30,863,940	31,589,840	31,664,486	31,325,490	31,574,196	31,931,251	29,559,947
Expenditures:								
3.010 - Personnel Services	15,045,473	15,548,412	16,445,578	16,747,798	17,232,963	17,685,880	18,150,700	18,627,737
3.020 - Employees' Retirement/Insurance Benefits	6,968,507	7,060,465	7,234,487	7,578,717	8,092,241	8,588,517	9,121,817	9,693,399
3.030 - Purchased Services	4,847,134	5,297,888	6,054,161	6,189,280	6,045,080	6,096,080	6,141,680	6,169,180
3.040 - Supplies and Materials	900,988	944,780	949,214	946,622	960,264	972,900	985,528	998,528
3.050 - Capital Outlay	253,053	626,627	147,274	381,019	300,000	300,000	300,000	300,000
3.060 - Intergovernmental	-	-	-	-	-	-	-	-
Debt Service:								
4.010 - Principal-All Years	-	-	-	-	-	-	-	-
4.020 - Principal - Notes	-	-	-	-	-	-	-	-
4.030 - Principal - State Loans	-	-	-	-	-	-	-	-
4.040 - Principal - State Advances	-	-	-	-	-	-	-	-
4.050 - Principal - HB264 Loan	-	-	-	-	-	-	-	-
4.055 - Principal - Other	-	-	-	-	-	-	-	-
4.060 - Interest and Fiscal Charges	-	-	-	-	-	-	-	-
4.300 - Other Objects	443,282	495,943	575,978	516,224	523,658	525,790	528,774	532,595
4.500 - Total Expenditures	28,458,437	29,974,115	31,406,692	32,359,660	33,154,206	34,169,167	35,228,499	36,321,439
Other Financing Uses								
5.010 - Operating Transfers-Out	146,000	146,000	143,000	125,000	125,000	125,000	125,000	125,000
5.020 - Advances-Out	324,000	306,000	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	1,858	-	-	-	-	-
5.040 - Total Other Financing Uses	470,000	452,000	144,858	125,000	125,000	125,000	125,000	125,000
5.050 - Total Expenditures and Other Financing Uses	28,928,437	30,426,115	31,551,550	32,484,660	33,279,206	34,294,167	35,353,499	36,446,439
Excess of Rev & Other Financing Uses Over (Under) Expenditures and Other Financing Uses	1,127,783	437,825	38,290	(820,173)	(1,953,716)	(2,719,971)	(3,422,247)	(6,886,493)
Cash Balance July 1 - Excluding Proposed Renewal/ 7.010 - Replacement and New Levies	7,432,032	8,559,815	8,997,640	9,035,930	8,215,757	6,262,041	3,542,070	119,823
7.020 - Cash Balance June 30	8,559,815	8,997,640	9,035,930	8,215,757	6,262,041	3,542,070	119,823	(6,766,669)
8.010 - Estimated Encumbrances June 30	906,907	525,701	550,000	550,000	550,000	550,000	550,000	550,000
Reservations of Fund Balance:								
9.010 - Textbooks and Instructional Materials	-	-	-	-	-	-	-	-
9.020 - Capital Improvements	-	-	-	-	-	-	-	-
9.030 - Budget Reserve	-	-	-	-	-	-	-	-
9.040 - DPIA	-	-	-	-	-	-	-	-
9.050 - Debt Service	-	-	-	-	-	-	-	-
9.060 - Property Tax Advances	-	-	-	-	-	-	-	-
9.070 - Bus Purchases	-	-	-	-	-	-	-	-
9.080 - Subtotal	-	-	-	-	-	-	-	-
Fund Balance June 30 for Certification								
10.010 - of Appropriations	7,652,908	8,471,939	8,485,930	7,665,757	5,712,041	2,992,070	(430,177)	(7,316,669)
Rev from Replacement/Renewal Levies								
11.010 - Income Tax - Renewal	-	-	-	-	-	-	-	-
11.020 - Property Tax - Renewal or Replacement	-	-	-	-	-	-	-	2,405,524
11.030 - Cumulative Balance of Replacement/Renewal Levies	-	-	-	-	-	-	-	2,405,524
Fund Balance June 30 for Certification								
12.010 - of Contracts, Salary and Other Obligations	7,652,908	8,471,939	8,485,930	7,665,757	5,712,041	2,992,070	(430,177)	(4,911,146)
Revenue from New Levies								
13.010 - Income Tax - New	-	-	-	-	-	-	-	-
13.020 - Property Tax - New	-	-	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-	-	-
14.010 - Revenue from Future State Advancements								
15.010 - Unreserved Fund Balance June 30	7,652,908	8,471,939	8,485,930	7,665,757	5,712,041	2,992,070	(430,177)	(4,911,146)
ADM Forecasts								
20.010 - Kindergarten	-	-	-	170	160	160	160	160
20.015 - Grades 1-12	-	-	-	2,403	2,358	2,301	2,243	2,204

**Celina City School District
Five-Year Forecast
Fiscal Years Ending June 30, 2018 Through 2022**

Notice: All estimates are conservative and do not guarantee what will happen in estimated years.

REVENUE ASSUMPTIONS

Property Taxes – Line 1.01

General Property Taxes comprise just over 38% of the District's total general fund revenue. Estimates are based upon county auditor projections, historic valuation data and scheduled updates and reappraisals.

The forecast assumes growth in residential property, as well as new construction during the five-year period of the forecast. In FY 2014, the County experienced a large valuation increase due to CAUV; in FY 2017 and we saw a significant decrease of approximately 30% in CAUV values.

In 2017, the County settled with 2 property owners, which resulted in a one-time adjustment of approximately \$300,000.

The emergency property tax levy was renewed in May of 2016, and will expire on December 31, 2021.

Public Utility Property Tax – Line 1.02

Public Utility Personal Property Taxes comprise less than 1% of the District's total general fund revenue. Estimates are based upon county auditor projections, historic valuation data and are projected to decrease over the five-year period of the forecast.

Due to a few large settlements at the County level during this current fiscal year, we saw a large influx of tangible personal property tax dollars.

Income Tax – Line 1.03

Income Taxes comprise just under 9% of the District's general fund revenues. Estimates are based upon historic data and trends. In FY 2017, the District realized a slight decrease in income tax revenues. The voters on November 7, 2017 approved to replace the expiring 3/4% earned income tax with a 1% earned income tax effective January 1, 2019.

Unemployment rates in Mercer County remain extremely low so there should be no major jumps in income tax revenue. However, this revenue should increase modestly as wages increase through inflation.

For FY 2018, the District actually received @ \$108,000 more in income tax over FY 2017. This is a positive impact heading into FY 2019 where the new 1% earned income tax becomes effective. However, in FY 2019 the District will only receive 1 payment from the State of Ohio (April 2019) where the impact of the increase could be realized. It is not until FY 2020 where the District should realize the biggest gain.

**Celina City School District
Five-Year Forecast
Fiscal Years Ending June 30, 2018 Through 2022**

REVENUE ASSUMPTIONS (Continued)

Unrestricted Grants-in-Aid (state foundation) – Line 1.035

Unrestricted Grants-In -Aid comprise just over 40% of the District total General Fund revenue. This revenue is greatly impacted by the District's enrollment. The forecast is projecting a continuing decline in enrollment throughout the five years of the forecast.

This line of the forecast is always the most difficult to predict as the mechanisms that drive funding are constantly in motion. Funding is no longer based on an October count as it is now based on a real-time student count. The model is still primarily driven by property tax valuation per pupil but some other features were added to the biennium budget to help with some funding inequities. Celina City Schools was aided by an agricultural provision.

As a side note, I should indicate that we are also adversely affected by open-enrollment out, which is currently @ 286 students open-enrolling out of the District. This will impact the expenditure side of the forecast.

IMPORTANT NOTE: In addition to state funding, this line item contains Medicaid payments and casino tax revenue. Casino tax revenue should remain stable. Medicaid reimbursements are undergoing a shift to increasing regulations which may place additional costs and administrative burden on the District.

Restricted Grants-in-Aid (Career Tech & Economically Disadvantaged) – Line 1.04

Restricted Grants-in-Aid represent about 1% of total General Fund revenue. It is anticipated that this revenue will remain fairly stable.

Property Tax Allocation (Homestead & Rollback) – Line 1.05

Property Tax Allocation revenue comprise about 5.5% of total general fund revenue. Growth or declines somewhat parallels the growth and/or decline in real property taxes. It is forecast to remain fairly stable.

As a note, rollback funding has been eliminated for all newly voted levies, meaning all new levies will be fully funded with local dollars. Existing levies which are renewed will continue to receive rollback funding from the state.

At December 31, 2021 (FY 2022) the current Emergency levy will expire.

All Other Revenues – Line 1.06 / Other Financing Sources – Line 2.070

All Other Operating Revenue make up about 4.5% of all general fund revenue. These revenues are primarily from vocational tuition, class materials and fees, open enrollment and interest income.

Investment rates have started to tick up, which is resulting in additional interest income.

Total Other Financing Sources is a very small percentage of general fund revenue. The District is only forecasting very limited activity within this source. Some activity is forecasted here for any transfers necessary to subsidize the food service operations, as well as any advances if they are needed.

**Celina City School District
Five-Year Forecast
Fiscal Years Ending June 30, 2018 Through 2022**

EXPENDITURE ASSUMPTIONS

Personnel Services– Lines 3.01

Personnel Services represent about 52% of our general fund expenditures. In FY 2017, the negotiated agreements allowed for a 3% base increase along with the resumption of steps. Also included was a small increase for educational advancements. In FY 2018, the last year of the agreements, there is a 1% increase in the base and additional increases forecasted for educational and step advancement. Going forward, the forecast allows for a 1% increase in base wages, along with an allowance for steps and educational advancements for FY19 through FY22.

The end result of negotiations could significantly impact the forecast.

Employees' Benefits – Line 3.02

Employee's Benefits comprise just under 23% of general fund expenditures. For 2017, the District saw no increase in medical insurance premiums, but did see a 10% increase in our dental premium.

Effective 1/1/2018, the District saw an 8% increase in medical premiums and a 5% increase in dental premiums. The 8% increase was significantly less than the percentage increase proposed by the consortium administrators, but the trust has a significantly high reserve balance, and the thought of the MABT was to keep the increase below 10% and allow the reserve to absorb some of the cost increase. The high cost of specialty drugs is significantly impacting the proposed premium hikes.

Effective 1/1/2019, the insurance consortium will be moving to a new carrier for medical insurance and see an 8% increase in medical premiums and a 1% increase in dental premiums. Had the MABT stayed with the current carrier the expected increase was close to 18%. The high cost of specialty drugs continues to significantly impact the proposed premium hikes.

The end result of negotiations could significantly impact the forecast.

Purchased Services – Line 3.03

Purchased Services comprise approximately 19% of total general fund expenditures and include such things as tuition costs, open-enrollment, community schools, post-secondary costs, utilities and shared costs with the ESC.

The District is significantly impacted by open enrollment out of the District. In 2016, there were @ 250 students who open-enrolled out of the District; in 2017, there are @ 270 students who open enrolled out of the District, and again in FY 2018 there are @ 286 students open-enrolling out to other Districts.

In FY 2019, the District will be absorbing the Alternative School back for the Mercer County ESC. The District was set to pay @ \$200,000 to the Mercer County ESC for these services. In exchange for the payment for these services the District will hire 2 staff members, one of which is scheduled to work only half-time for the program.

Small increases are reflected within the five years of the forecast for inflationary purposes

Supplies – Line 3.04

Supplies and Materials make up a small percentage of general fund expenditures. Small increases in spending are forecasted throughout the five year period.

**Celina City School District
Five-Year Forecast
Fiscal Years Ending June 30, 2018 Through 2022**

EXPENDITURE ASSUMPTIONS (Continued)

Capital Outlay – Line 3.05

Capital Outlay expenditures make up a small percentage of general fund expenditures. The goal is to limit the capital outlay expenditures as much as possible from the general fund.

Of concern is the fact that the District is encountering issues which are causing an outlay of funds to repair and maintain, including roofing repairs, tuck pointing and parking lot repaving and repairs.

Other Objects – Line 4.300

Other Objects make up less than 2% of the District's general fund expenditures. It is projected that this category will remain fairly stable.

5.040 - Total Other Financing Uses

Total Other Financing Uses makes up about one and a half percent of total general fund expenditures. It is based upon transfers and advances made by the District mostly at fiscal year-end. Advances are made at year end to eliminate deficit fund balances and are repaid after the beginning of the next fiscal year when the advances can be returned. Transfers are a permanent shift in funds and are not expected to be repaid. I am assuming food service will have a deficit each of the next five years.

Encumbrances – Line 8.01

Encumbrances are budgeted to be expended in the year they occur and therefore the goal each school year would be to get this number closer to zero.

Revenue Over/Under Expenditures – Line 6.01

Line 6.010 Excess of Revenue Over (Under) Expenditures

This line is the true gauge of a school district's financial health. When this line is negative it means expenses are outpacing revenue and depleting a district's cash balance. Previously, FY13 had marked a fourth straight year of deficit spending, ultimately leading to the decrease of the district's cash balance. FY's 2014 through 2017 brought a much needed surplus to the District. The five years of this forecast all reflect deficit spending, thus beginning a decline in the district's carry-over balance.

Repairs to the District's capital environment remain a variable as well. This line will need to be monitored closely.

True-Days Cash = Ending Cash Balance (Line 7.020) / (Total Expenditures (Line 5.050) / 365)

2018 = @ 92 Days	(\$8,215,757 / (\$32,484,660 / 365))
2019 = @ 69 Days	(\$6,262,041 / (\$33,279,206 / 365))
2020 = @ 38 Days	(\$3,542,070 / (\$34,294,167 / 365))
2021 = @ 1 Day	(\$ 119,823) / (\$35,353,499 / 365))
2022 = @ (68) Days	(\$-6,766,669) / (\$36,446,439 / 365))