

Celina City School District Schedule Of Revenue, Expenditures and Changes In Fund Balances Actual and Forecasted Operating Fund								
	ACTUAL			FORECASTED				
	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
Revenue:								
1.010 - General Property Tax (Real Estate)	10,812,317	11,350,426	11,781,980	12,096,252	11,759,423	11,790,401	11,798,221	11,867,188
1.020 - Public Utility Personal Property	279,975	285,760	267,555	227,259	226,704	230,960	232,507	232,469
1.030 - Income Tax	2,458,115	2,541,206	2,726,113	2,692,279	2,705,049	2,554,809	669,040	-
1.035 - Unrestricted Grants-in-Aid	10,757,139	11,955,679	12,386,094	12,649,476	12,644,956	12,612,301	11,873,859	11,871,401
1.040 - Restricted Grants-in-Aid	335,638	284,128	320,917	399,360	391,655	392,185	392,415	392,955
1.045 - Restricted Federal Grants-in-Aid - SFSF	-	-	-	-	-	-	-	-
1.050 - Property Tax Allocation	1,649,015	1,705,373	1,733,543	1,731,598	1,728,168	1,729,332	1,731,261	1,731,268
1.060 - All Other Operating Revenues	1,507,374	1,455,030	1,308,940	1,369,253	1,372,070	1,399,512	1,427,502	1,456,052
1.070 - Total Revenue	27,799,573	29,577,602	30,525,142	31,165,476	30,828,026	30,709,499	28,124,806	27,551,332
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	990,000	341,500	324,000	90,965	-	-	-	-
2.060 - All Other Financing Sources	101,785	137,118	14,798	74,158	25,000	25,000	25,000	25,000
2.070 - Total Other Financing Sources	1,091,785	478,618	338,798	165,123	25,000	25,000	25,000	25,000
2.080 - Total Revenues and Other Financing Sources	28,891,359	30,056,220	30,863,940	31,330,599	30,853,026	30,734,499	28,149,806	27,576,332
Expenditures:								
3.010 - Personnel Services	14,704,752	15,045,473	15,548,412	16,265,194	16,411,297	16,788,962	17,175,318	17,570,565
3.020 - Employees' Retirement/Insurance Benefits	7,052,713	6,968,507	7,060,465	7,260,271	7,454,643	7,747,121	8,053,048	8,373,083
3.030 - Purchased Services	4,510,175	4,847,134	5,297,888	6,085,738	6,146,243	6,190,986	6,230,972	6,277,205
3.040 - Supplies and Materials	892,058	900,988	944,780	949,353	961,875	974,391	986,402	998,407
3.050 - Capital Outlay	165,273	253,053	626,627	239,179	251,138	263,695	276,880	290,724
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	462,242	443,282	495,943	585,127	597,497	611,877	624,807	639,331
4.500 - Total Expenditures	27,787,212	28,458,437	29,974,115	31,384,862	31,822,693	32,577,032	33,347,426	34,149,315
Other Financing Uses								
5.010 - Operating Transfers-Out	114,257	146,000	146,000	125,000	125,000	125,000	125,000	125,000
5.020 - Advances-Out	346,500	324,000	306,000	-	-	-	-	-
5.030 - All Other Financing Uses	36,585	-	-	-	-	-	-	-
5.040 - Total Other Financing Uses	497,342	470,000	452,000	125,000	125,000	125,000	125,000	125,000
5.050 - Total Expenditures and Other Financing Uses	28,284,554	28,928,437	30,426,115	31,509,862	31,947,693	32,702,032	33,472,426	34,274,315
Excess of Rev & Other Financing Uses Over (Under)								
6.010 - Expenditures and Other Financing Uses	606,805	1,127,783	437,825	(179,263)	(1,094,667)	(1,967,533)	(5,322,620)	(6,697,983)
Cash Balance July 1 - Excluding Proposed Renewal/ 7.010 - Replacement and New Levies	6,825,227	7,432,032	8,559,815	8,997,640	8,818,377	7,723,710	5,756,177	433,557
7.020 - Cash Balance June 30	7,432,032	8,559,815	8,997,640	8,818,377	7,723,710	5,756,177	433,557	(6,264,426)
8.010 - Estimated Encumbrances June 30	774,814	906,907	525,701	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	6,657,218	7,652,908	8,471,939	8,268,377	7,173,710	5,206,177	(116,443)	(6,814,426)
Rev from Replacement/Renewal Levies								
11.010 - Income Tax - Renewal	-	-	-	-	-	163,073	2,061,737	2,743,735
11.020 - Property Tax - Renewal or Replacement	-	-	-	-	-	-	-	-
11.030 - Cumulative Balance of Replacement/Renewal Lev	-	-	-	-	-	163,073	2,224,809	4,968,544
Fund Balance June 30 for Certification								
12.010 - of Contracts, Salary and Other Obligations	6,657,218	7,652,908	8,471,939	8,268,377	7,173,710	5,369,250	2,108,366	(1,845,882)
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	6,657,218	7,652,908	8,471,939	8,268,377	7,173,710	5,369,250	2,108,366	(1,845,882)
ADM Forecasts								
20.010 - Kindergarten	-	-	-	177	185	180	180	185
20.015 - Grades 1-12	-	-	-	2,446	2,325	2,234	2,103	2,141

**Celina City School District
Five-Year Forecast
Fiscal Years Ending June 30, 2017 Through 2021**

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 revenues. Estimates are based upon county auditor's projections, historic valuation data, scheduled updates and reappraisals.

The forecast assumes a modest increase in residential property values as well as new construction during the five year period. In 2014, Mercer County experienced a large valuation increase due to CAUV on farmland. In 2017, due to political influences, I believe that Mercer County will see a decrease in valuation due to the changes effected by the CAUV formula.

In 2017, the County settled with two outstanding property owners, Case Leasing (Raquet Club) and Celina Golf (Celina Lynx), 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's estimates, historical data and are projected to remain fairly stable over the five year period of the forecast.

Income Tax – Line 1.03

Income Taxes comprise just under 9% of the District's total general fund revenues. Estimates are based upon historic data and trends. In FY 2017, the District did see a slight decrease in income tax revenues. The current income tax levy is set to expire on December 31, 2018. The forecast reflects the income tax falling to the lower portion of the forecast page to reflect the impact of not renewing said levy.

If the District is to renew the levy in 2018, the District's income tax is forecasted to increase slightly in each of the five years. Failure to renew would be very costly to the District.

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.

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

Unrestricted Grants-in-Aid comprise approximately 40% of the total general fund revenue. This category of revenue is greatly impacted by enrollment within the District. It appears that the District's open-enrollment has remained flat from last year, at just around 60 students. I remain cautious and reflect a slightly declining enrollment in future years.

**Celina City School District
Five-Year Forecast
Fiscal Years Ending June 30, 2016 Through 2020**

REVENUE ASSUMPTIONS (Continued)

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 District, we are in a period of flux as the Governor's biennial budget, which in early estimates left Celina CSD with flat funding for FY 18 and FY 19, has made it through the House of Representatives with little change as it still left Celina CSD with flat funding through the biennium. The budget is now in the Senate, and I do not anticipate any news on a final budget until the end of June, which is typical.

As a side note, I should indicate that we are also adversely affected by open-enrollment out, which last year was around 250 students open-enrolling out of the District, and currently is right at 270 open-enrolling out of the District. This will impact the expenditure side of the forecast.

IMPORTANT NOTE: Years two through five of line 1.035 of this forecast are based on the current status of state funding formula which is in the legislative process. The funding formula could be substantially modified or completely changed as the budget bill moves forward. Currently, through the Governor's budget and the House version of the bill, Celina CSD appears to remain flat funded.

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. This situation must continue to be monitored.

Restricted Grants-in-Aid (SFSF & Career Tech) – 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 comprises just under 6% of General Fund revenue. The growth and/or decline somewhat parallels the growth and/or decline in real property taxes. It is anticipated that this revenue source will 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 this funding from the State.

**Celina City School District
Five-Year Forecast
Fiscal Years Ending June 30, 2016 Through 2020**

REVENUE ASSUMPTIONS (Continued)

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

All Other Operating Revenues makes up just over 4% of all general fund revenue. These revenues are primarily from open enrollment into the District, interest earnings and class fees. This revenue source has been declining over the past number of years. I believe that this has leveled off and will remain fairly stable through the five years of the forecast.

Interest rates have started to tick up which is resulting in increased investment income.

Other Financing Sources is just a small percentage of total general fund revenues. The biggest portion of this revenue account comes from the repayment of advances made prior to the beginning of the fiscal year (from advances-out made at the end of the preceding fiscal year).

My position has always been to limit the amount of advances between accounts; therefore, I do not anticipate very much activity in this account when compared to previous years.

Some activity is forecasted here for any transfers necessary to subsidize the food service operations, as well as any advance if they are needed.

EXPENDITURE ASSUMPTIONS

Personnel Services– Lines 3.01

Personnel Services represents just over 51% of general fund expenditures. For FY 2017, the negotiated 3% base increase, as well as resumptions of steps, is included. A small percentage has also been included for educational and normal step movements. For FY 2018, the negotiated 1% base increase is reflected, along with a small percentage for educational and step advancements. For the remaining three years of the forecast there is an allowance for a small base increase along with step and educational advancements.

Employees' Benefits – Line 3.02

Employees' Benefits comprise just over 23% of total general fund expenditures. For Calendar year 2017, the District did not experience an increase in premiums for health and prescription drug insurance, but did see a premium increase of 10% for the dental insurance program.

For 2018 a forecasted 2% increase in medical/Rx premiums is reflected; in FY 2019 a forecasted 4% increase in premiums is projected, and for 2020 through 2021, the District is forecasting a 5% increase in insurance premiums. Although the MABT consortium has been running very well over the past few years, an anticipated increase of 4%-5% is still below the norm, which according to our plan administrator is closer to 10%.

With the health care reform currently taking place at the federal level, the impact is still very speculative and unknown.

**Celina City School District
Five-Year Forecast
Fiscal Years Ending June 30, 2016 Through 2020**

EXPENDITURE ASSUMPTIONS (Continued)

Purchased Services – Line 3.03

Purchased Services comprise approximately 17% of total general fund expenditures. 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, based upon EMIS data, there are @ 270 students who have open enrolled out of the District.

The number of open enrollment students continues to increase in earlier grades and this trend continues to be a concern. I have increased spending in purchase services for all years of the forecast to cover open enrollment increases.

Supplies – Line 3.04

Supplies make up just over 3% our total general fund expenditures. The forecasted increases throughout the 5 years of the forecast are based upon past history and trends. Small increases of 1% to 3% are forecasted.

Capital Outlay – Line 3.05

Capital Outlay represents just over 2% of the total general fund expenditures. In 2016 there was a rather large outlay for technology. It is anticipated that after factoring out the large 2016 outlay, the district will project 5% expenditure increases in each year of the forecast going forward.

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 Object represents just over one and a half percent of general fund expenditures. The forecast is based upon past history and trends. It is felt that this category of expenditures will remain fairly stable throughout the forecast.

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 and that this deficit will increase with inflation (cost of supplies and salaries).

**Celina City School District
Five-Year Forecast
Fiscal Years Ending June 30, 2016 Through 2020**

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. Celina City Schools has implemented a plan to better achieve this goal annually.

Revenue Over/Under Expenditures – Line 6.01

Line 6.010 Excess of Revenue Over(Under) Exp (Line 14 above)

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 marked a fourth straight year of deficit spending, ultimately leading to the decrease of the district's cash balance. FY14, FY15 and FY16 brought a much needed surplus to the District. Because of stable to increasing revenues, I anticipate a small deficit in FY17. The remainder of the forecast reflects 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 over the next few years.

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

2017 = @ 102 Days	(\$8,818,377 / (\$31,509,862 / 365))	
2018 = @ 88 Days	(\$7,723,710 / (\$31,947,693 / 365))	
2019 = @ 64 Days	(\$5,756,177 / (\$32,702,032 / 365))	With Income Tax Renewal @ 66 Days
2020 = @ 4 Days	(\$ 433,557 / (\$33,472,426 / 365))	With Income Tax Renewal @ 29 Days
2021 = @ (66) Days	(\$-6,264,426) / (\$34,274,315 / 365))	With Income Tax Renewal @ (14) Days