



Elyria City Schools

# Five Year Forecast Financial Report

May, 2017

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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.

Five Year Forecast - Simplified Statement

	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
Beginning Balance	23,673,549	27,306,727	24,176,596	20,363,126	13,759,707
+ Revenue	80,880,251	77,512,053	76,134,561	74,683,831	74,861,365
+ Proposed Renew/Replacement Levies	-	-	1,476,212	2,958,343	2,970,241
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(77,247,072)	(80,642,185)	(81,424,243)	(84,245,593)	(86,616,406)
<b>= Revenue Surplus or Deficit</b>	<b>3,633,178</b>	<b>(3,130,132)</b>	<b>(3,813,469)</b>	<b>(6,603,419)</b>	<b>(8,784,799)</b>
Ending Balance	27,306,727	24,176,596	20,363,126	13,759,707	4,974,908
Revenue Surplus or Deficit w/o Levies	3,633,178	(3,130,132)	(5,289,681)	(9,561,762)	(11,755,041)
Ending Balance w/o Levies	27,306,727	24,176,596	18,886,914	9,325,152	(2,429,889)

Summary:

With all current levies maintained (renewed), the district continues to trend toward revenue shortfall as has been reported in previous forecasts. The district's levies subject to renewal total \$2,970,241 on an annual basis by FY 2021. If for some reason the renewal levies are not maintained then the district's forecast will worsen considerably. With all levies renewed, the district is projecting a revenue shortfall of \$8,784,799 by FY 2021.

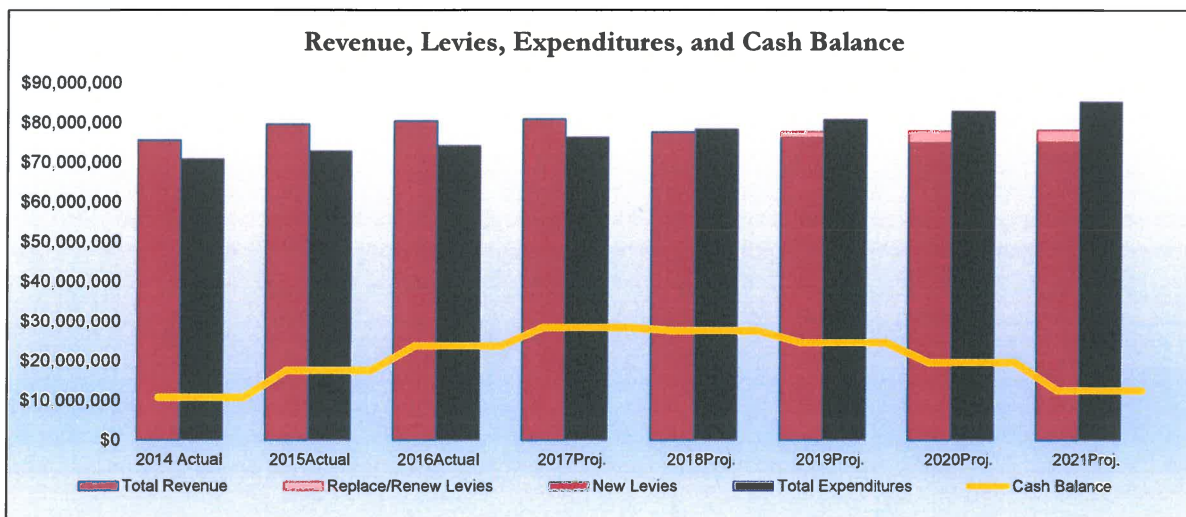
FY 2017 includes one-time revenue of \$1.3 million that is the repayment of advances (temporary loans) by other district funds. This \$1.3 million closes the gap between revenue and expenditures in FY 2017, but is not to be considered an ongoing annual operating revenue. Still the district is contributing toward its cash reserve balance in FY 2017.

The district's cost of providing current service levels is projected to exceed operating revenue in FY 2018 and beyond. The current revenue shortfall is projected to be \$3,130,132 next fiscal year but includes a \$2.2 million transfer out to the district's building project fund.

The district has built in certain investment levels for its supply expenditure category which will be reviewed annually and respond to financial conditions.

The district's projected cash reserves remain positive, and while decreasing, these reserves are adequate through FY 2020.

A building project is being undertaken that could potentially impact operating cost. The district is studying the impact of the building project on operating cost and will incorporate the results of this study in its October, 2017 forecast.

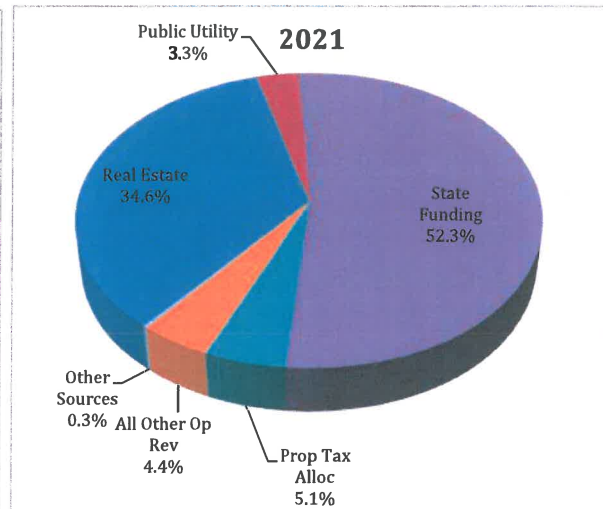
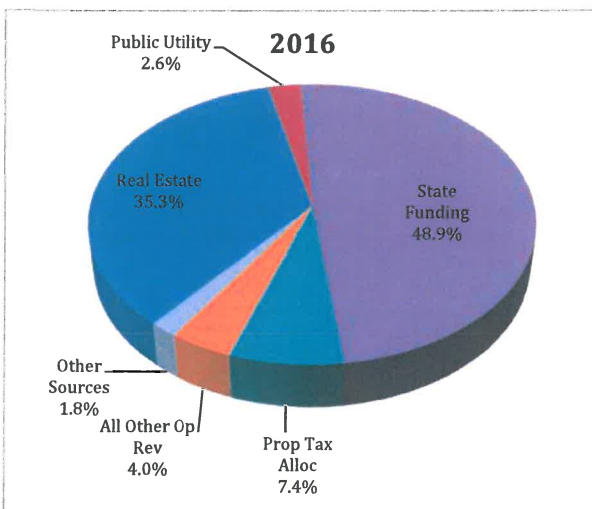


## Revenue Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	
<b>Revenue:</b>							
1.010-Real Estate	1.56%	2.48%	-3.96%	0.76%	0.58%	0.46%	0.06%
1.020-Public Utility	5.86%	9.57%	7.06%	2.81%	2.94%	3.21%	5.12%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	2.88%	-0.59%	-0.03%	0.14%	-0.40%	0.14%	-0.15%
1.040-Restricted Aid	217.45%	12.91%	-3.04%	-2.05%	-1.75%	-2.07%	0.80%
1.045-Restr Federal SFSF	-74.49%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-7.71%	-8.26%	-15.23%	-5.97%	-2.65%	-3.01%	-7.03%
1.060-All Other Operating	9.02%	-2.22%	-6.15%	3.42%	3.45%	3.47%	0.40%
1.070-Total Revenue	1.19%	0.59%	-2.66%	0.13%	0.04%	0.24%	-0.33%
2.070-Total Other Sources	4.00%	-0.26%	-84.82%	0.00%	0.00%	0.00%	-17.02%
2.080-Total Rev & Other Srcs	0.67%	0.58%	-4.16%	0.13%	0.04%	0.24%	-0.63%

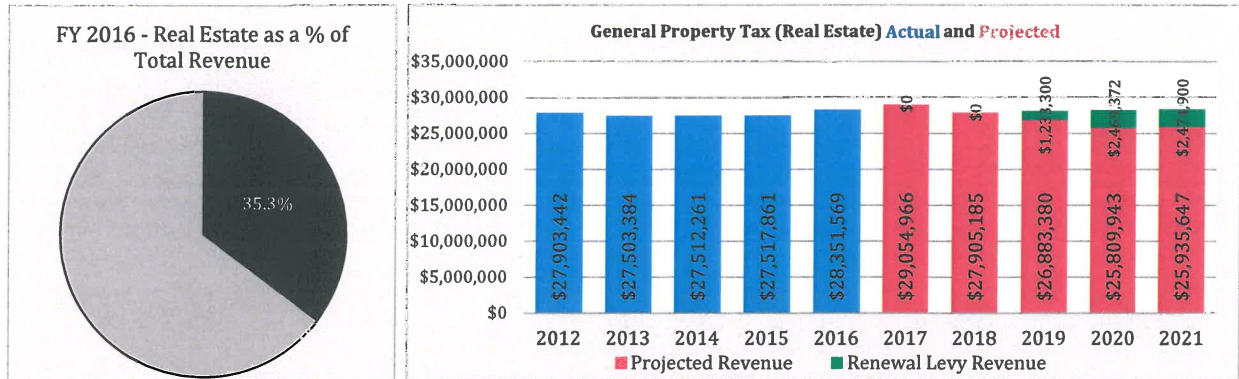
The revenue summary above reflects renewal of the district's operating levy. With the levy, the district's total operating revenue (line 1.070) is projected to decrease slightly (-0.33%) on an average annual basis over the next five years. Much of this decrease is driven by reductions in state funding. The state funding projections are volatile in that they are very dependent upon enrollment estimates and state legislative action. Please see the state funding revenue note for additional detail, as well as review the enrollment supplement contained in this report.

The second category of state funding that is declining is property tax allocation (line 1.050). This revenue category is declining because the state is phasing-out the remaining tangible personal property tax reimbursement intended to replace local tax revenue losses.



### 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).



Local real estate property taxes make up 35.3% of the district's revenue. Revenue growth has been constrained by declining property values over the past few years. The district has an operating levy that must be renewed within the forecast period. The renewal levy amount is reflected in the green portion of the bar graph above. The district also maintains an emergency fixed sum levy which must be renewed in 2024 which is outside of the forecast period.

Lorain county went through a triennial update during calendar year 2015. Total tax year 2015 real estate values declined 7,651,480, or -0.90%, for taxes to be collected in calendar year 2016.

The county will go through a six-year reappraisal update in calendar year 2018, some limited growth (assuming all existing levies are in place) is projected to occur; however, tax rates decline in response to inflationary pressure, therefore, revenue gain will be minimal. This explains the very limited growth in revenue with the renewal levy included through FY 2020.

County auditor data indicates that only about 94% of current taxes billed are paid when due. With delinquencies, the district's gross collection rate is projected to be about 97% through the forecast period. Delinquencies collected in the spring of 2017 increased by about \$300,000 which is expected to be a one-time occurrence.

Tax Year	Real Property Valuation	Year-Over-Year Change	60% of Total Real Estate Revenue		40% of Total Real Estate Revenue		Gross Collection Rate All Taxes	
			Effective Residential Tax Rate	Year-Over-Year Change	Effective Business Tax Rate	Year-Over-Year Change		
2012	785,178,820	(69,937,200)	38.77	3.03	44.81	2.32	95.2%	Actual
2013	786,806,640	1,627,820	38.92	0.15	45.01	0.20	97.1%	Actual
2014	779,503,070	(7,303,570)	39.32	0.40	46.21	1.20	97.1%	Actual
2015	771,851,590	(7,651,480)	40.11	0.79	46.73	0.52	98.7%	Actual
2016	767,517,460	(4,334,130)	40.13	0.02	47.22	0.49	99.6%	Actual
2017	767,191,048	(326,412)	40.15	0.01	47.33	0.10	97.4%	Projected
2018	786,437,927	19,246,879	39.35	(0.80)	46.88	(0.44)	97.3%	Projected
2019	787,014,780	576,853	39.52	0.17	47.05	0.16	97.3%	Projected
2020	787,591,840	577,060	39.69	0.17	47.21	0.16	97.3%	Projected

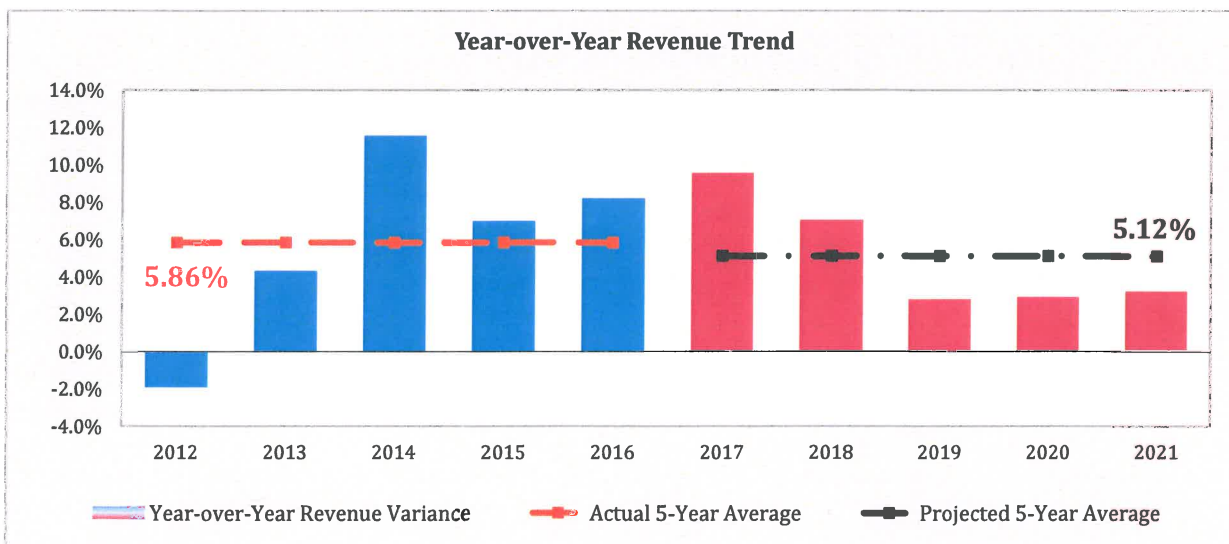
\*Projected % trends include renewal levies

### 1.020 - Public Utility Personal Property

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



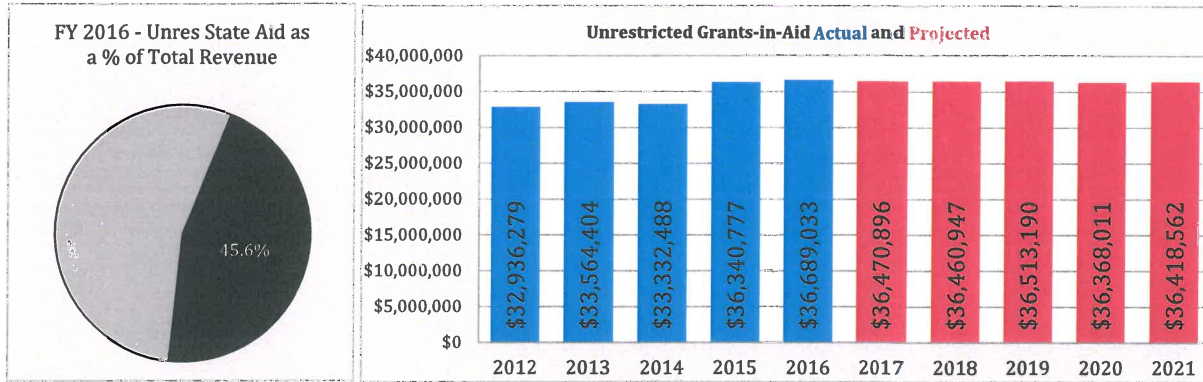
Public utility personal property generates 2.6% of the district's revenue. This valuation classification grew 5.87% in tax year 2015 for taxes collected in calendar year 2016. The category is projected to grow through FY 2016, but at a slower pace than the 2015 level. Like real estate, this revenue is impacted by the district's renewal levy, as indicated in the green portion of the bar chart above.



\*Projected % trends include renewal levies

### 1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.

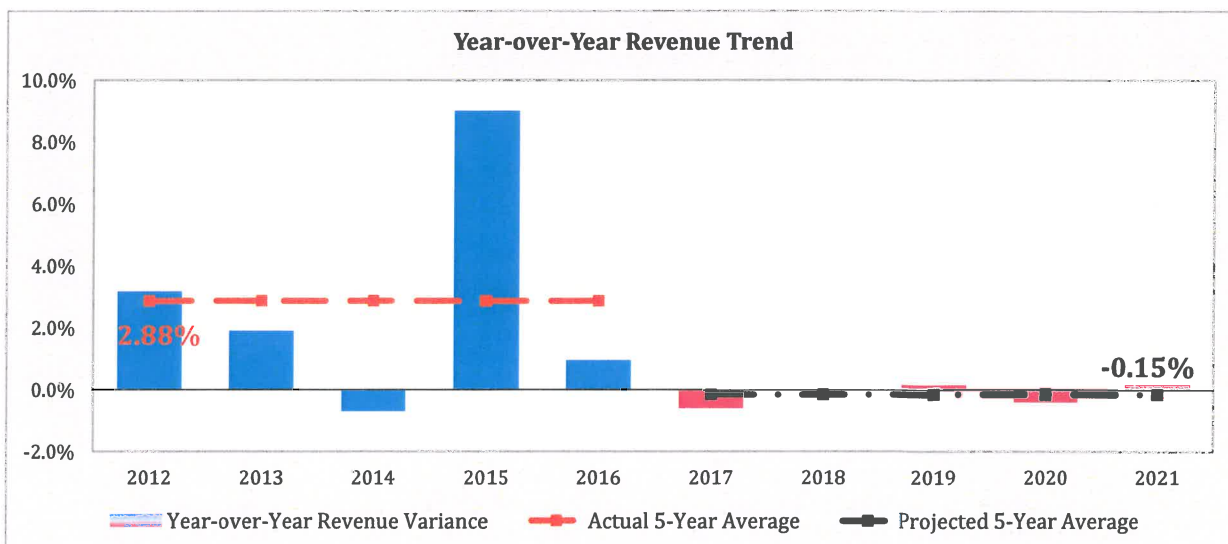


The state's per pupil funding formula generates 45.6% of the district's revenue. Beginning in FY 2014, Ohio implemented a new funding formula. That particular formula provided noteworthy funding increases for the district. The district's per pupil funding calculations are very much dependent upon enrollment, and therefore revenue can fluctuate up and down in response to change in enrollment and the state's treatment of guarantee funding. The district's FY 2017 funded enrollment is estimated at 7,005 (district head count is 5,858 with balance attending community schools). A more accurate source of enrollment information will be available in a few weeks after the required filing date of this current forecast. The enrollment information will be analyzed for impact on the forecast. Currently, funded enrollment is projected to drop to 6,419 in FY 2021. Please note that enrollment estimating is a complex process that can result in noticeable variance.

The State adopted a new budget to fund schools in FY 2016 and FY 2017. The district's state share in FY 2016 was 59.0%, which generated \$3,480 of the statewide \$5,900 per pupil amount. The district's state share is projected to remain at 58.8% in FY 2021 and generate \$3,762 of the estimated statewide \$6,400 per pupil amount.

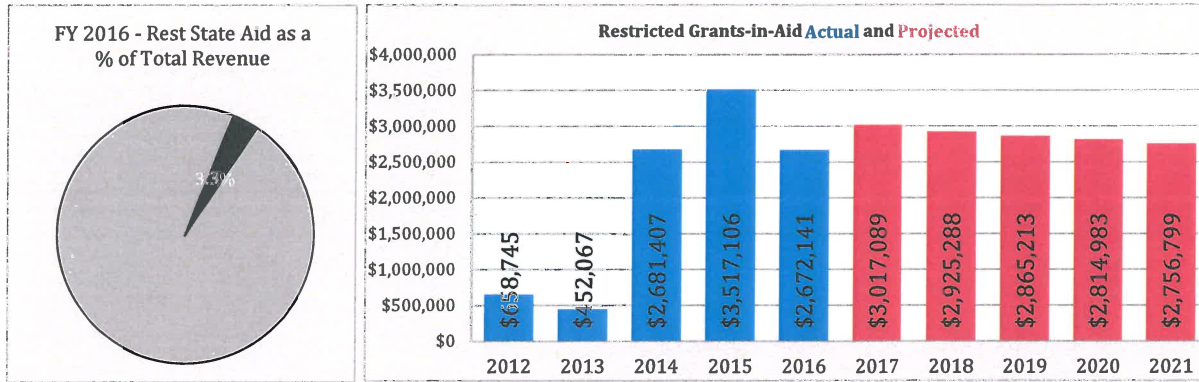
This line item also includes casino revenue which is estimated at \$49.89 per pupil.

The revenue estimates above are derived using the governor's executive budget as introduced. Legislative change may occur. However, the executive budget has the district on a funding guarantee (with current enrollment estimates) subject to enrollment decline.



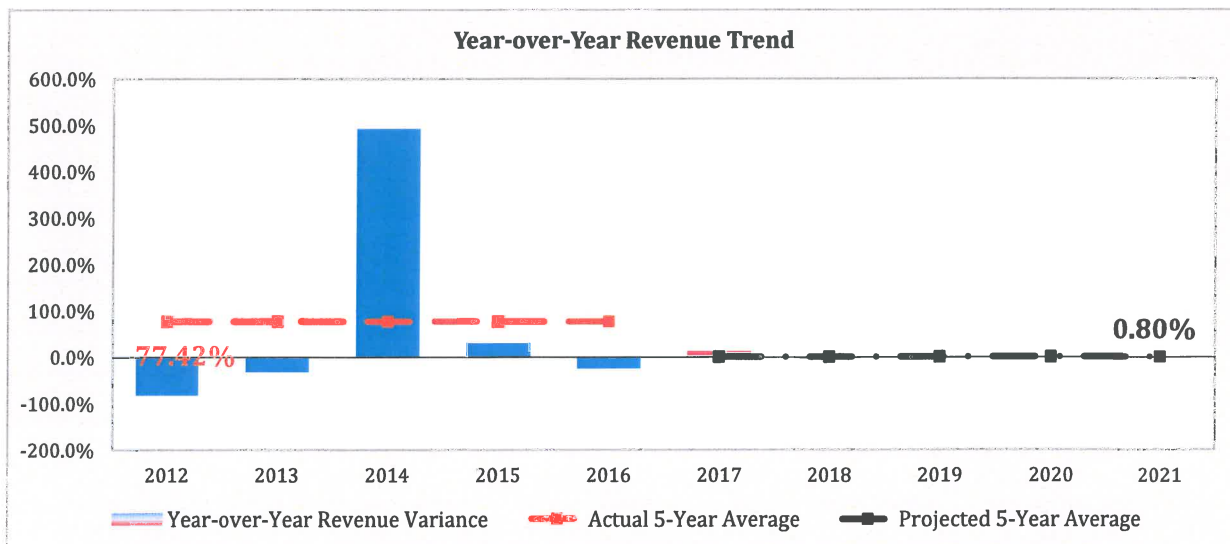
### 1.040 & 1.045 - Restricted Grants-in-Aid

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



Restricted state funding is 3.3% of the district's total revenue and is primarily comprised of add-on funding for economic disadvantaged students. The district's percentage of economically disadvantaged students unexpectedly declined from FY 2015's 70.08%, to 67.48% in FY 2016 which explains the FY 2016 revenue drop.

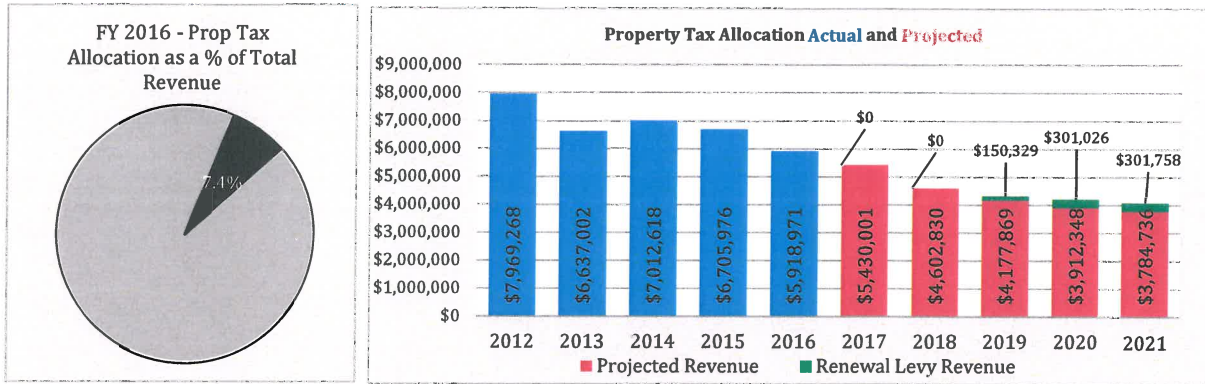
The ratio of economically disadvantaged students recovered to its prior level in FY 2017, and now stands at 71.25% of the general student population.





### 1.050 - Property Tax Allocation

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



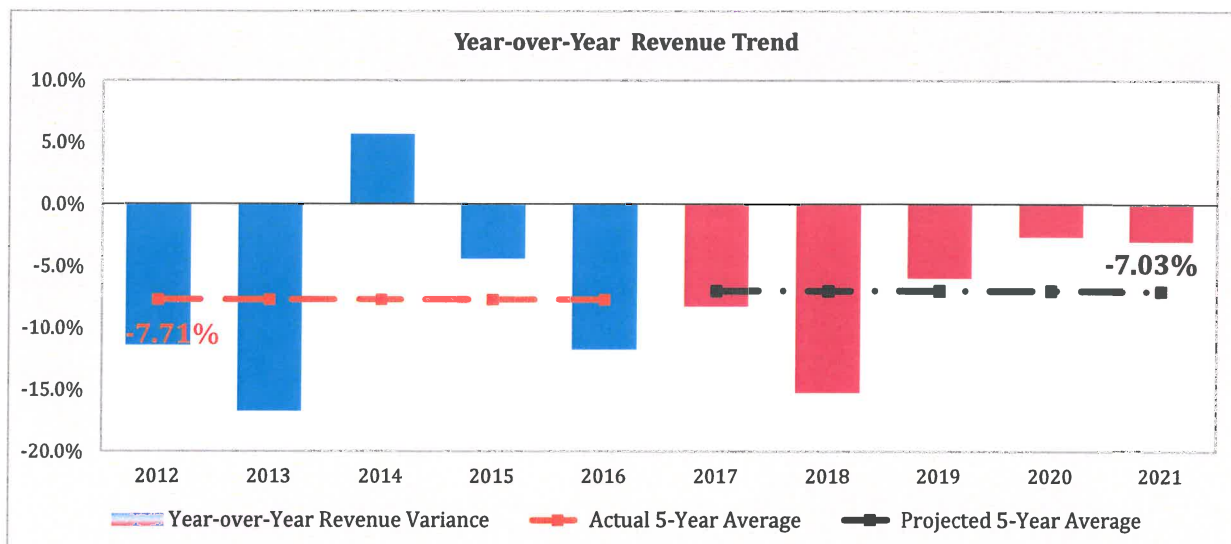
Property tax allocation (PTA) is comprised of three types of revenue that when combined are currently about 7.4% of district's revenue. One type of PTA is projected to decline starting in 2018, and in accordance with state law.

The first two types of PTA revenue involve state reimbursement for local real estate tax credits (deductions). In essence, local residential real estate taxes are reduced by rollback (12.5% for owner occupied houses) and also for homestead (disabled, senior citizens, etc.). This revenue reimbursement is about \$3.7 million of the PTA total.

The third type of revenue included in the PTA category is for the state's reimbursement of local tangible personal property (TPP) tax revenue losses resulting from statewide tax policy changes in 2005. The district received \$2.24 million in regular operating TPP reimbursement in FY 2015, this amount drops to \$0 in FY 2018. The district also receives \$724,000 in emergency levy TPP reimbursement. This reimbursement is being reduced at an annual rate of about \$72,000 until it is completely eliminated.

The loss of the TPP reimbursement will cost the district \$2.7 million in annual state provided operating revenue by FY 2021.

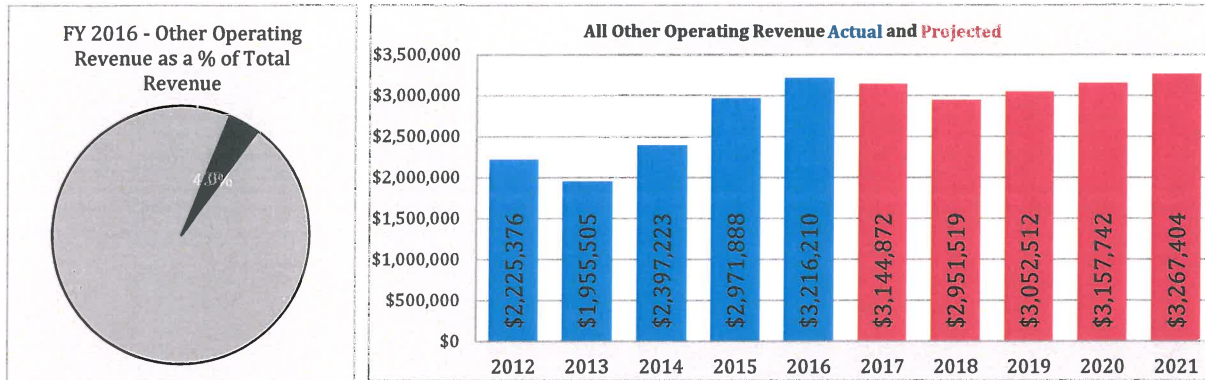
Like real estate and public utility property taxes, the PTA is also impacted by the district's renewal levy.



\*Projected % trends include renewal levies

### 1.060 - All Other Operating Revenues

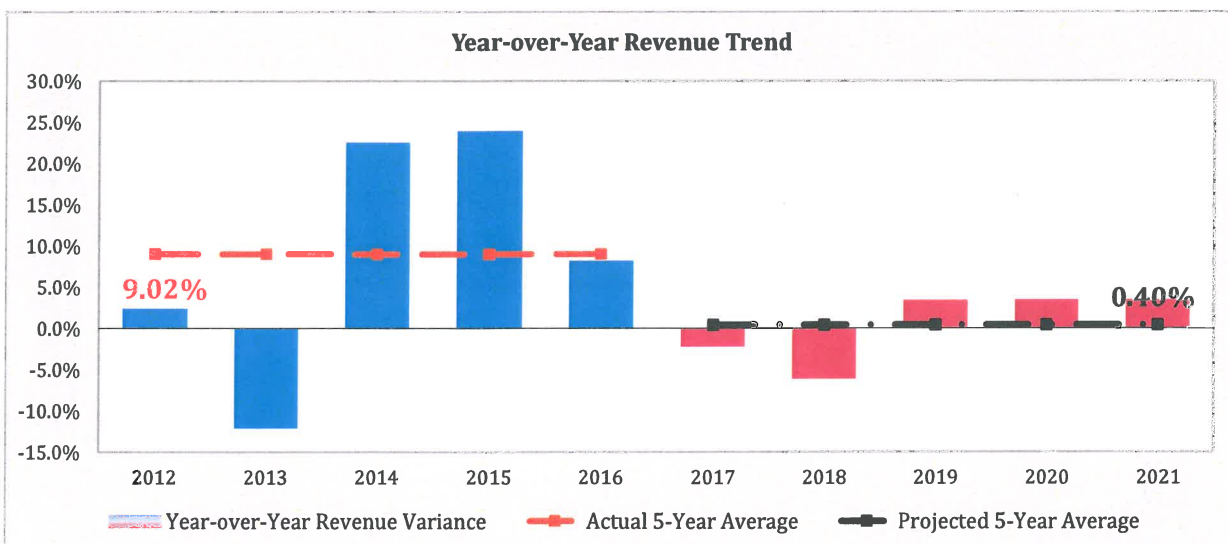
Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.



Other revenue provides 4.0% of the district's total revenue and is primarily comprised of open enrollment tuition (\$1,675,000) received from other districts. The district also receives Medicaid reimbursement at approximately \$640,000 and special education reimbursement of \$600,000 per year. All of these categories are volatile, and changes in response to enrollment and specific needs of students served.

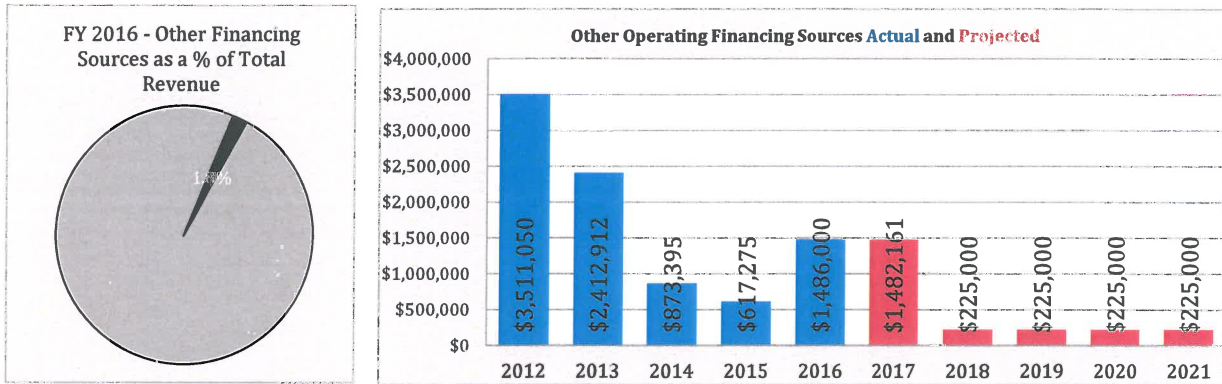
Interest income increased to \$210,000 in FY 2016, from \$110,000 in FY 2015, and is projected to be at the FY 2015 level in the forecasted years.

Because of tuition revenue this category is volatile and a function of enrollment changes.

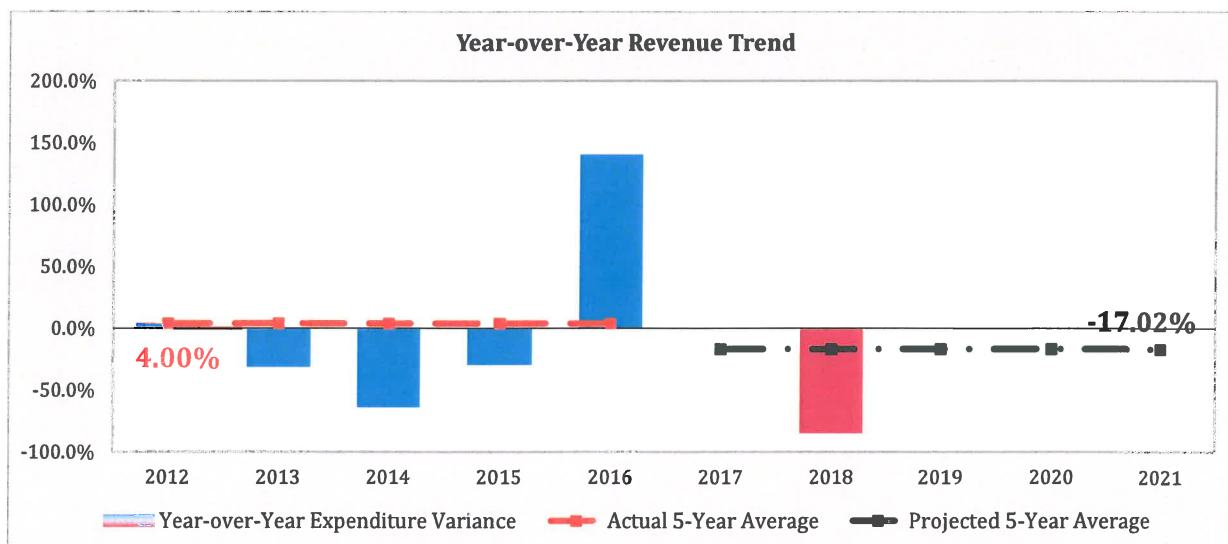


## 2.070 - Total Other Financing Sources

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.



The district received a large (\$1,024,000) one-time refund of prior years expense in FY 2016. FY 2017 revenue includes mostly advances being repaid by other funds to the general fund. FY 2017 and beyond advances are estimated at \$225,000 per year.



## Expenditures Overview

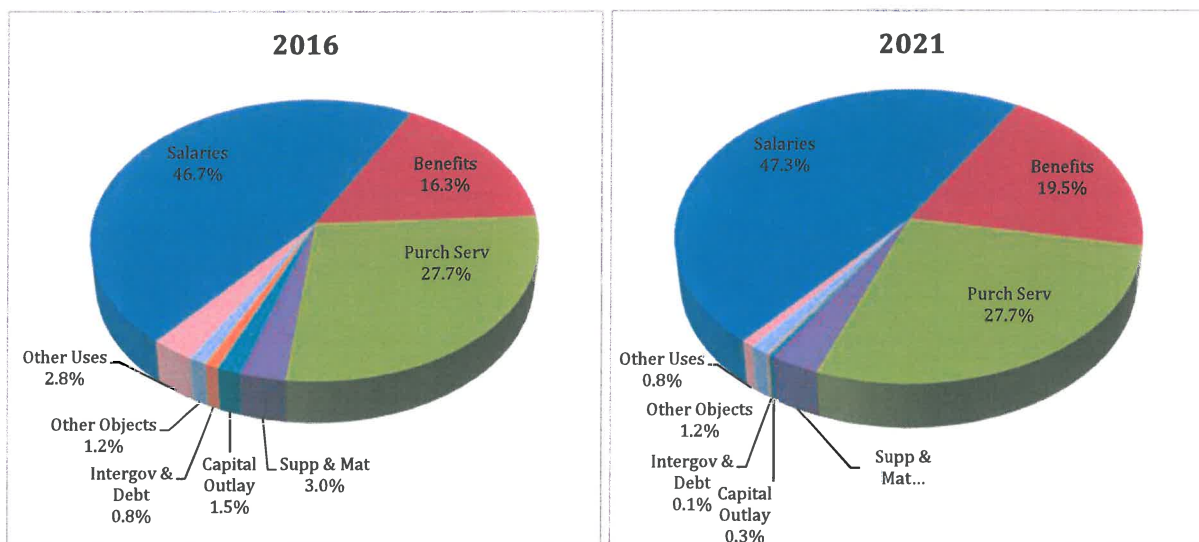
	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	
<b>Expenditures:</b>							
3.010-Salaries	-1.86%	2.92%	3.97%	3.81%	3.75%	2.54%	3.40%
3.020-Benefits	-0.69%	3.06%	14.21%	6.07%	6.08%	5.57%	7.00%
3.030-Purchased Services	4.88%	6.14%	1.57%	2.72%	2.73%	2.73%	3.18%
3.040-Supplies & Materials	11.49%	5.97%	3.08%	3.09%	3.10%	3.11%	3.67%
3.050-Capital Outlay	102.04%	-86.68%	66.60%	0.00%	0.00%	0.00%	-4.02%
3.060-Intergov	-100.00%	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	-0.09%	0.25%	-0.26%	0.53%	-40.62%	-73.03%	-22.62%
4.300-Other Objects	4.09%	6.97%	2.00%	2.00%	2.00%	2.00%	2.99%
4.500-Total Expenditures	0.62%	2.58%	5.03%	3.83%	3.49%	2.84%	3.55%
5.040-Total Other Uses	-8.57%	55.40%	-10.21%	-76.50%	0.00%	0.00%	-6.26%
5.050-Total Exp & Other Uses	-0.25%	4.05%	4.40%	0.97%	3.47%	2.81%	3.14%

Operating expenditures (line 4.500) are projected to grow at an average annual rate of 3.55%. The forecast includes the district's FY 2015 instructional supply and capital planning.

Salary costs have been reduced in the previous five years and are projected to grow 3.40% annually in the forecasted period. Benefit cost includes health insurance and retirement contributions. Health increases were contained to 8% in FY 2017 because of reduced staffing levels, a health premium self insurance fund surplus, and a 0.0% premium increase in FY 2016. For FY 2018, premium increases are projected at 25%, and then 8% FY 2019 through FY 2021.

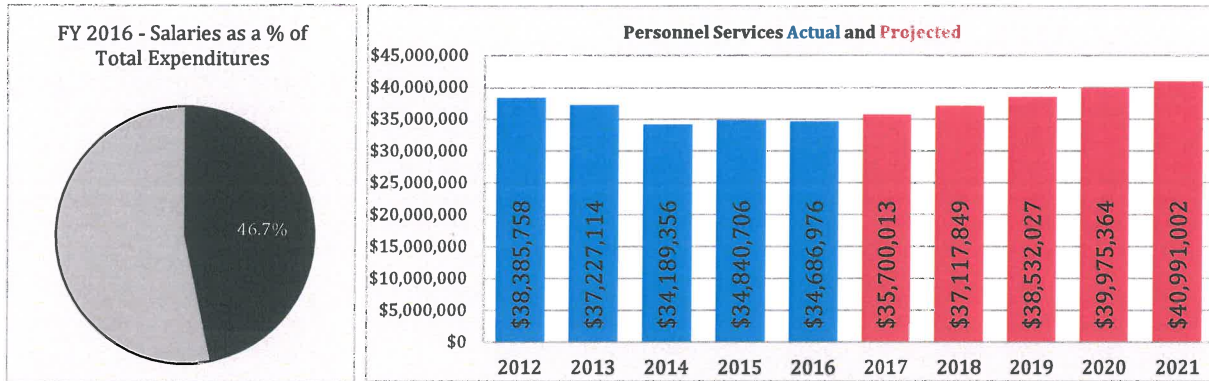
The district is transferring deferred capital spending plan money in FY 2017 to the permanent improvement fund which explains the FY 2017 increase in line 5.040 or "Total Other Uses." Also included in the transfers is a \$2.8 million amount (FY 2017) and \$2.2 million amount (FY 2018) for the district's building project. These transfers are explained in detail on the capital outlay note.

Finally, it should be noted that the district is embarking on a major building project. The project can always have unexpected impact on the general fund. But specifically, the result of the project could be reduced operating cost. The district is studying in detail the impact of this project on personnel and other building operating costs such as utilities.



### 3.010 - Personnel Services

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

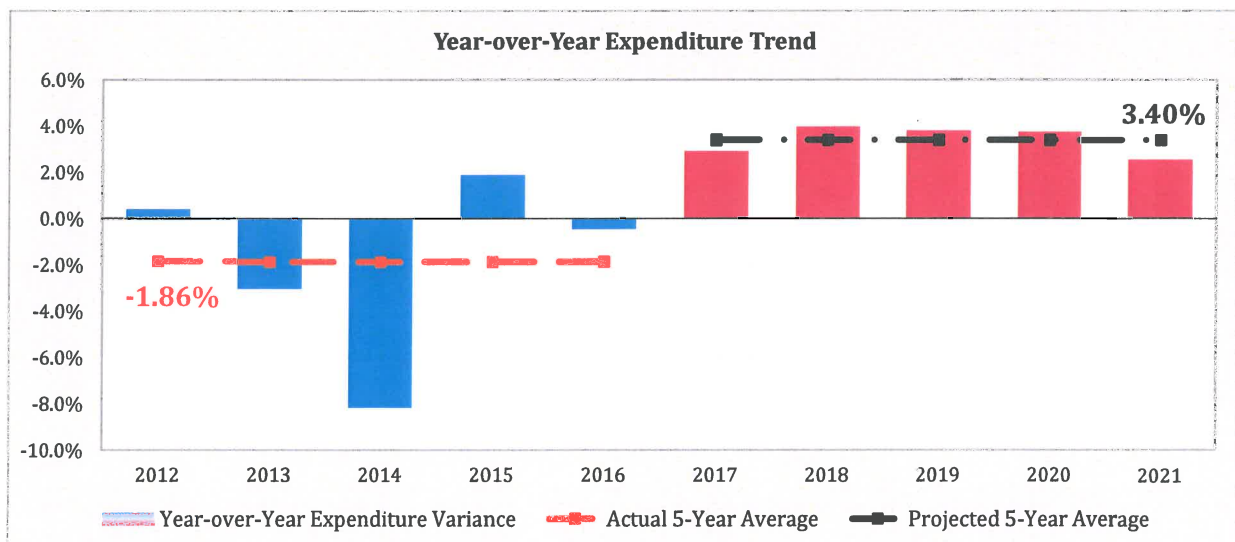


Salaries are 46.7% of the district's total expenditures and decreased at an average annual rate of -1.86% over the previous five years. In FY 2014 the district reduced 45 certified, 21 classified, and 1 administration position(s). The right sizing that occurred explains the decrease in personnel cost.

This expenditure is projected to grow \$1,013,003 in FY 2017 and at an average annual rate of 3.40% during the forecast period ending June 30, 2021. The district completed negotiations on a three-year agreement with its unions.

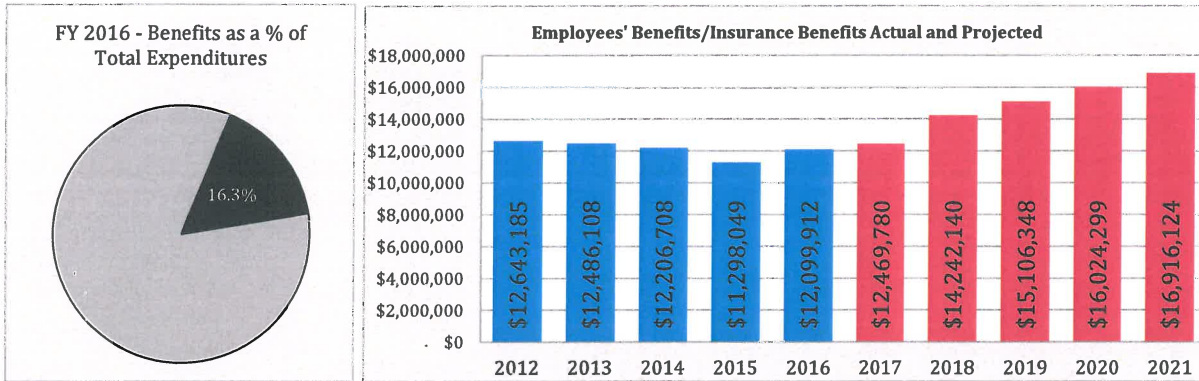
There is no annual retirement/replacement savings built into the forecast. These estimates will be refined as the impact of retirement positions being replaced with lower salaried employees is better known. Some savings is expected.

The district is also undergoing an extensive building project that will reduce the number of operating buildings. Staffing changes could result in reduced personnel costs that are not reflected in this forecast. The district is studying the potential impact of the building project on staffing cost and will include its findings in the October, 2017 forecast.



### 3.020 - Employees' Benefits

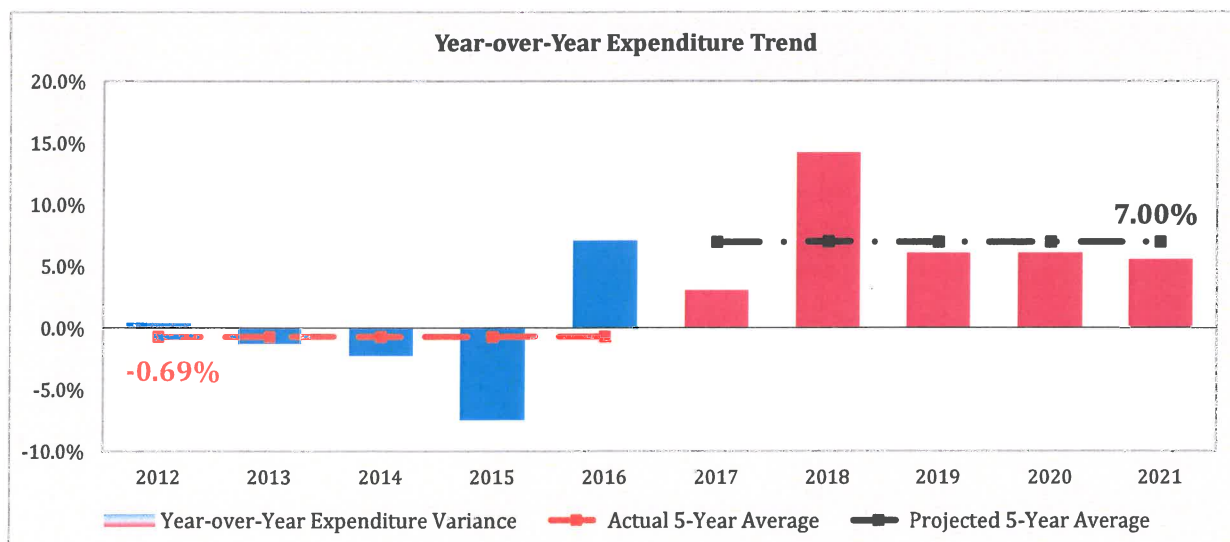
Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.



Like salaries, the district's fringe benefit costs also experienced decreases over the past five years. The combination of staffing reductions and premium changes (0.0% increase in FY 2016) contributed to the decrease in recent history.

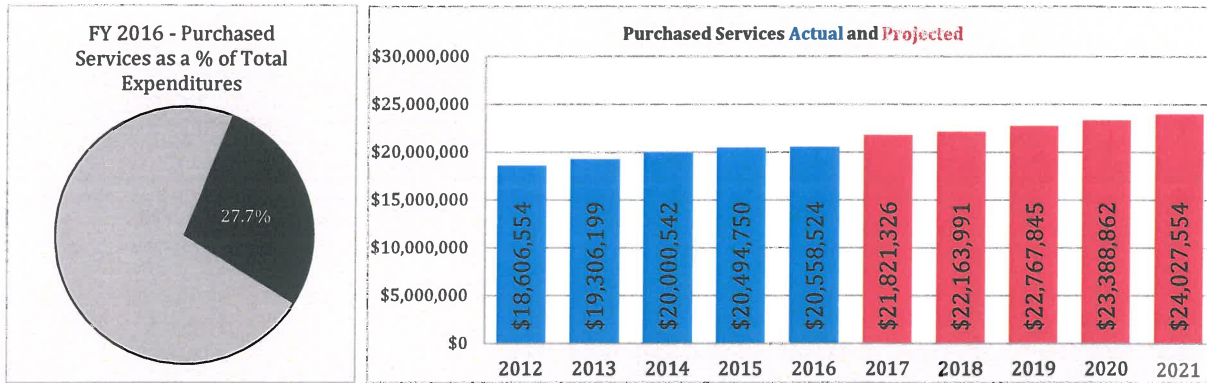
The forecast assumes current staffing levels and health insurance participation. The district has engaged a health insurance consultant who recommended a 25% premium increase in FY 2018 to build adequate reserves. The premiums for health insurance are projected to grow at a rate of 8.0% per year in FY 2019 through FY 2021. The other component of fringe benefits (employer retirement contributions) will change commensurate with year-over-year salary change.

The district's building project could alter the projected personnel costs. The impact of the building project is being studied and the results will be incorporated into the district's October, 2017 forecast.



### 3.030 - Purchased Services

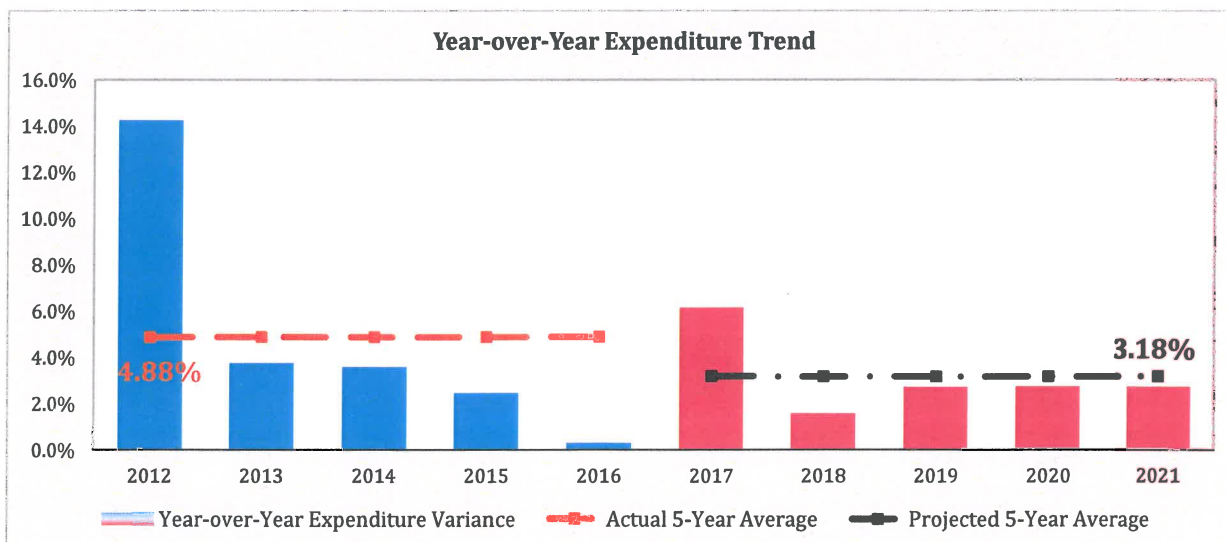
Amounts paid for personal services rendered by personnel who are not on the payroll of the school district, and other services which the school district may purchase.



Purchased services are the second largest component of the district's budget, and totaled 27.7% of expenditures in FY 2016. The FY 2017 level of expenditure is projected to grow by \$1.1 million or 5.09%. Average annual growth projected for the period FY 2018 through FY 2021 is 2.5%.

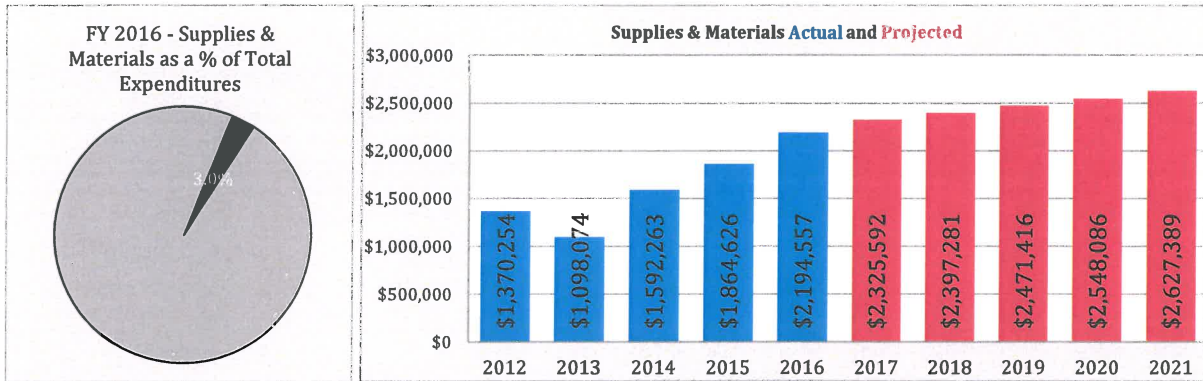
The largest component of the purchased services category is tuition paid to other entities such as community schools and other school districts (open enrollment). In FY 2016, tuition increased \$379,560, to a total of \$13.6 million which was 65% of the purchased service category. Tuition is expected to grow to \$13.96 million in FY 2017. Open enrollment was the fastest growing tuition category in FY 2017. Annual growth for all tuition is projected to average \$400,000 per year in FY 2018 through FY 2021.

Other growth in purchased services is due to utilities which totaled \$1.5 million in FY 2016, and was a decrease of \$247,795 over FY 2015. Utilities are projected to grow annually at an average annual rate of \$80,000 in FY 2017 through FY 2021. However, the district is undergoing a building project that will result in fewer buildings, but potentially additional air conditioning costs. The impact of the building project is being studied and the results will be incorporated into the district's October, 2017 forecast.



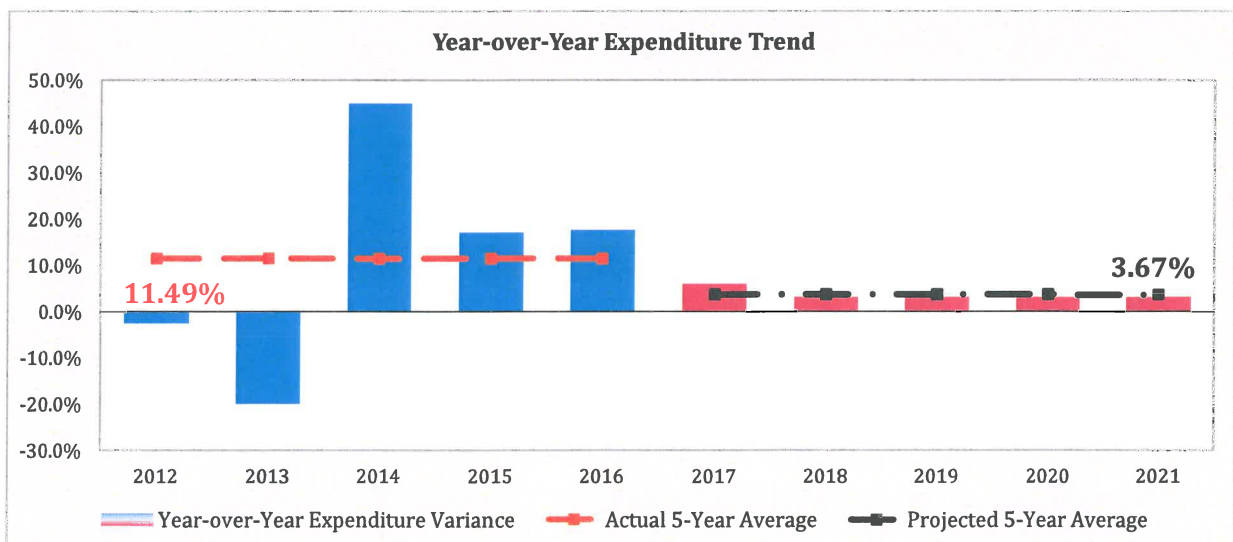
### 3.040 - Supplies & Materials

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



Supplies include instructional materials, and comprises 3.0% of the district's total expenditures. In response to state funding improvement, the district established a plan in FY 2015 to invest additional dollars in supplies, specifically instructional supplies, in response to the cuts that were made during the Great Recession. The spending level being established in future years is more in-line with the district's goals and can hopefully be sustained.

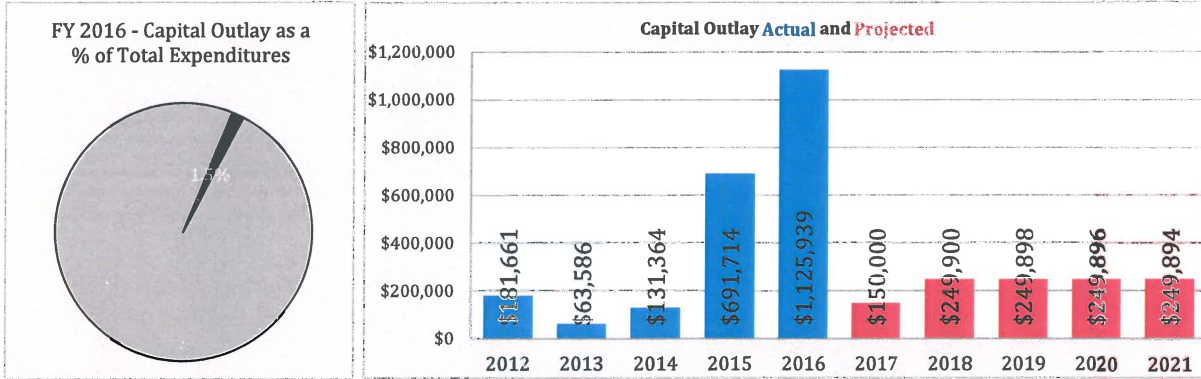
The expenditure on supplies is expected to increase \$131,034 in FY 2017, or 5.97%.





### 3.050 - Capital Outlay

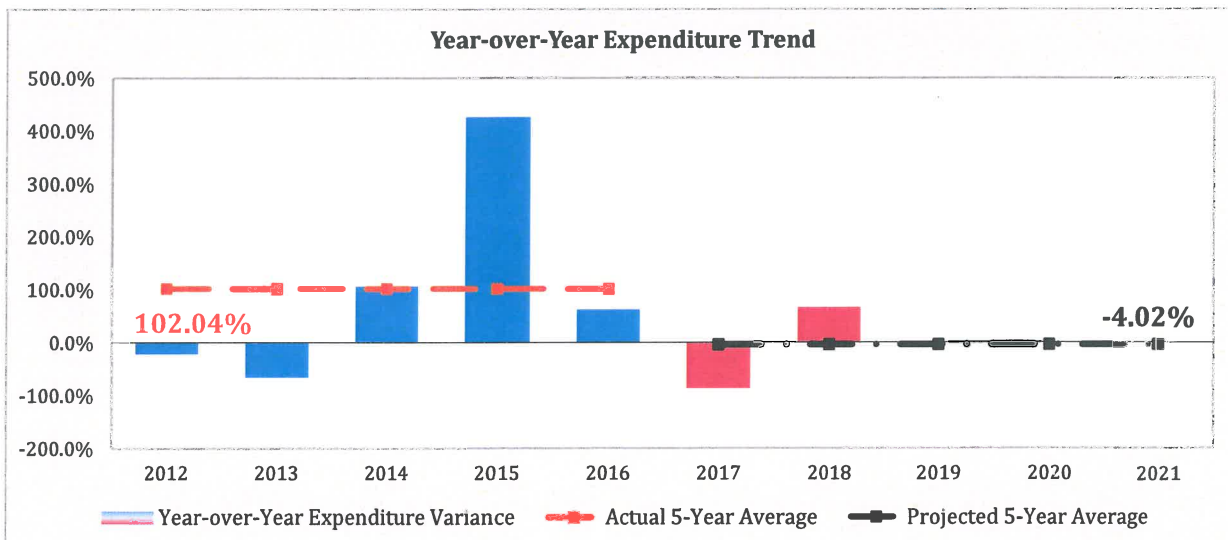
This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.



Similar to supplies, the district started increasing its capital investment from the prior years. The capital expenditures total just 1.5% of the FY 2016 total expenditures.

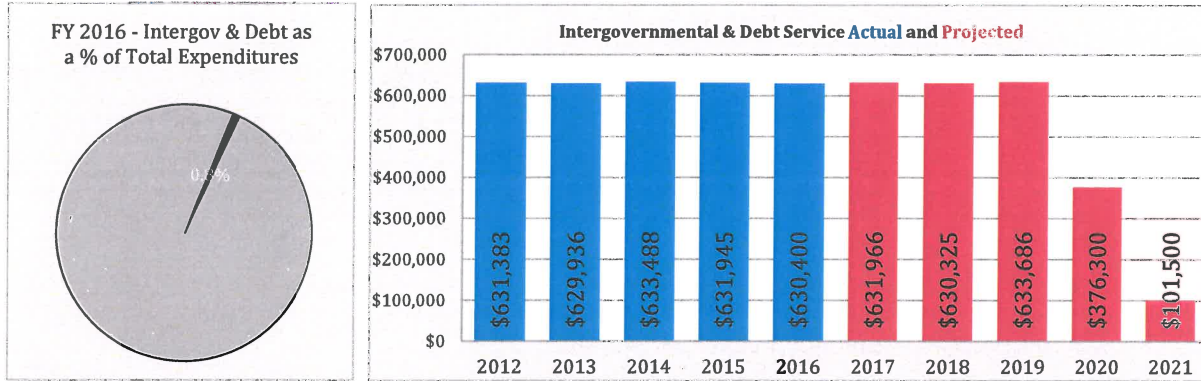
In FY 2017 the district originally projected to spend \$1.7 million on capital improvement; however, with the passage of the bond levy these expenditures were deferred. Instead, the district is transferring a total of \$5 million to the building fund project over fiscal years 2017 and 2018. This transfer is reflected on the other uses note.

The annual investment level being established in FY 2018 projections is the district's internal benchmark and will bring capital expenditures to about 2.2% of the district's annual budget.

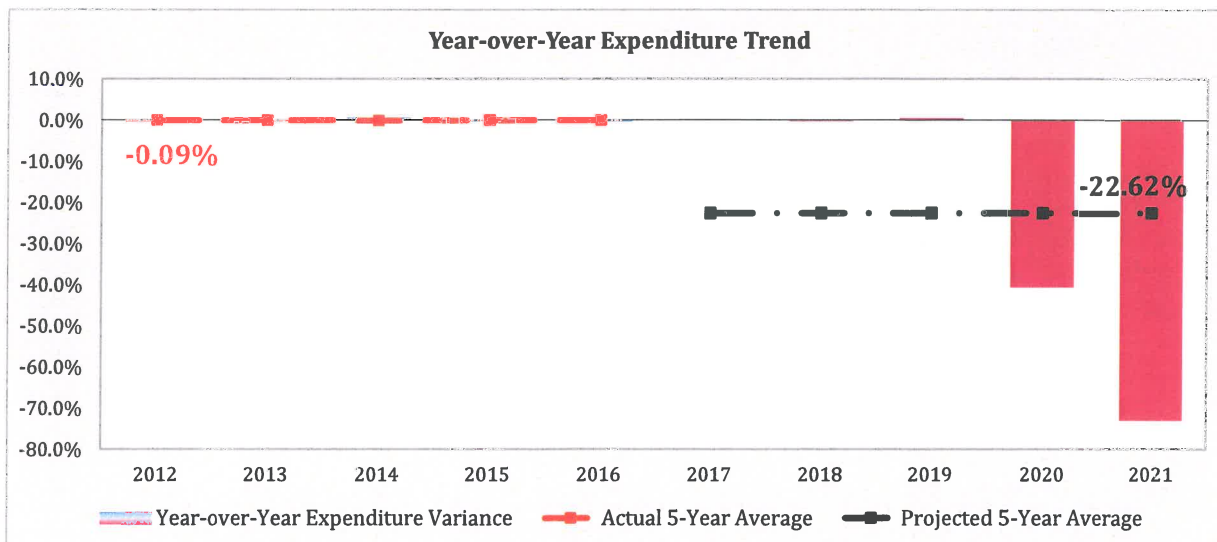


### 3.060-4.060 - Intergovernmental & Debt

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.

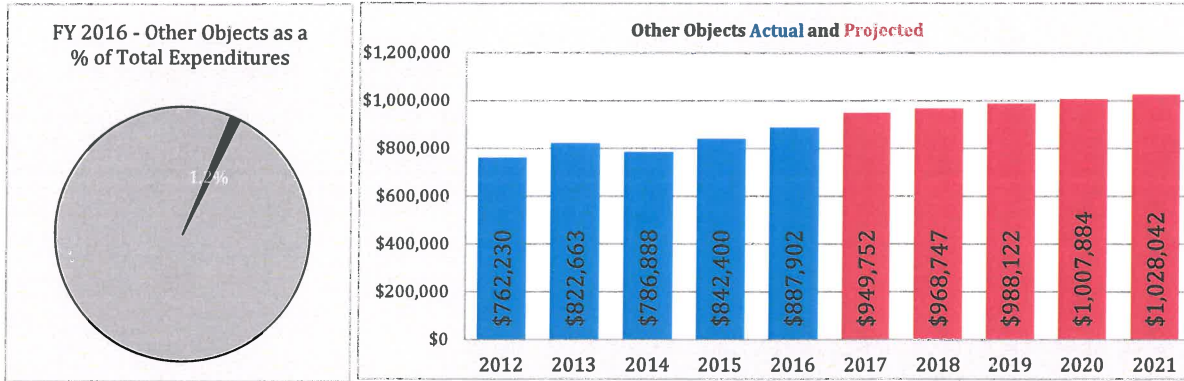


Debt is only 0.8% of the district's budget and the debt schedule is modeled through FY 2021. Debt includes an energy savings project, as well as a locally funded initiative included in the Ohio School Facilities Commission's construction project. The energy savings project debt is projected to end with its last payment in FY 2020.

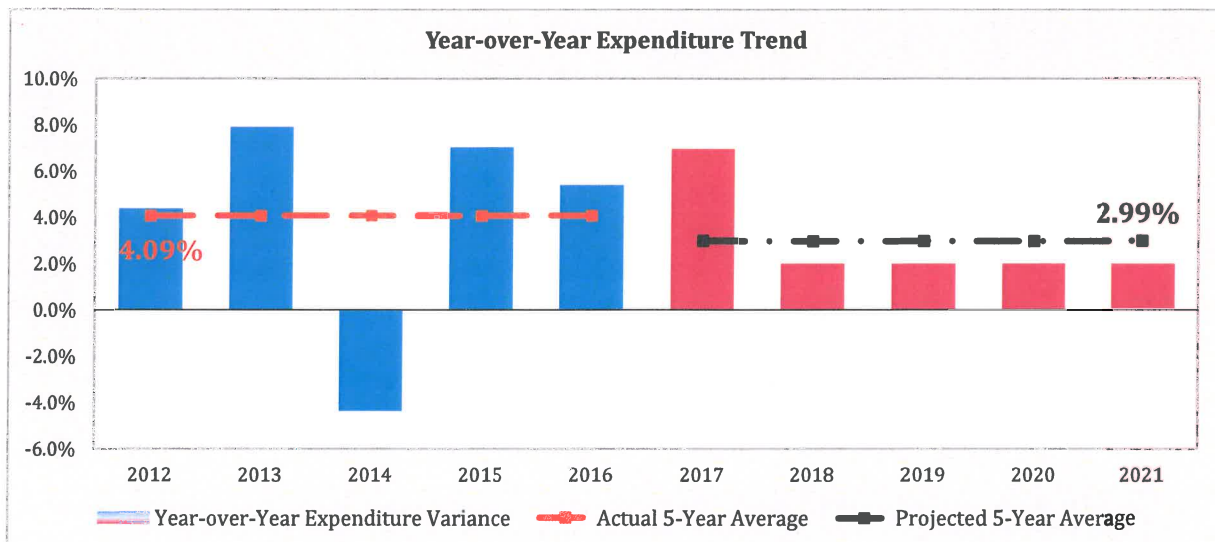


### 4.300 - Other Objects

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

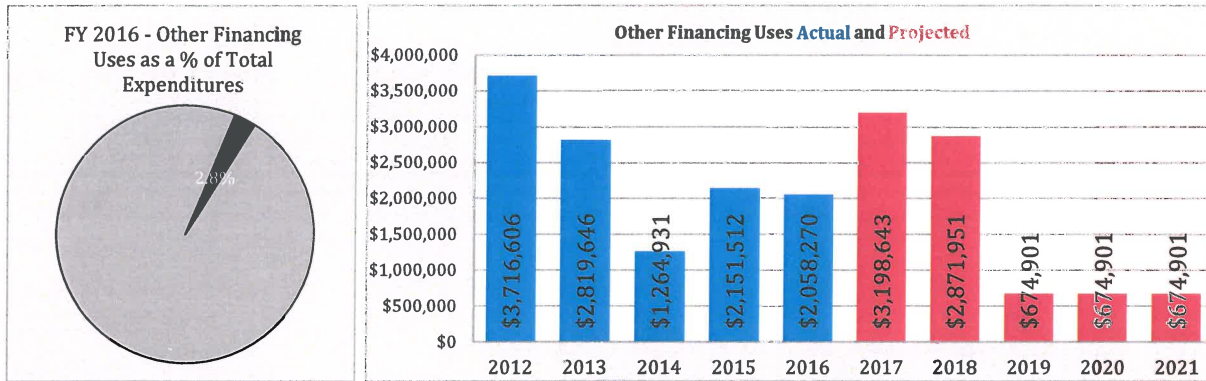


Other objects are just 1.2% of the budget with the largest component being county auditor and treasurer fees for the collection of local tax revenue. These fees increased about \$170,000 to \$691,242 in FY 2016, and are projected to decline slightly in FY 2017. The fees are sometimes collected by the county auditor and then refunded in subsequent years if collection costs do not warrant the level of fees charged.



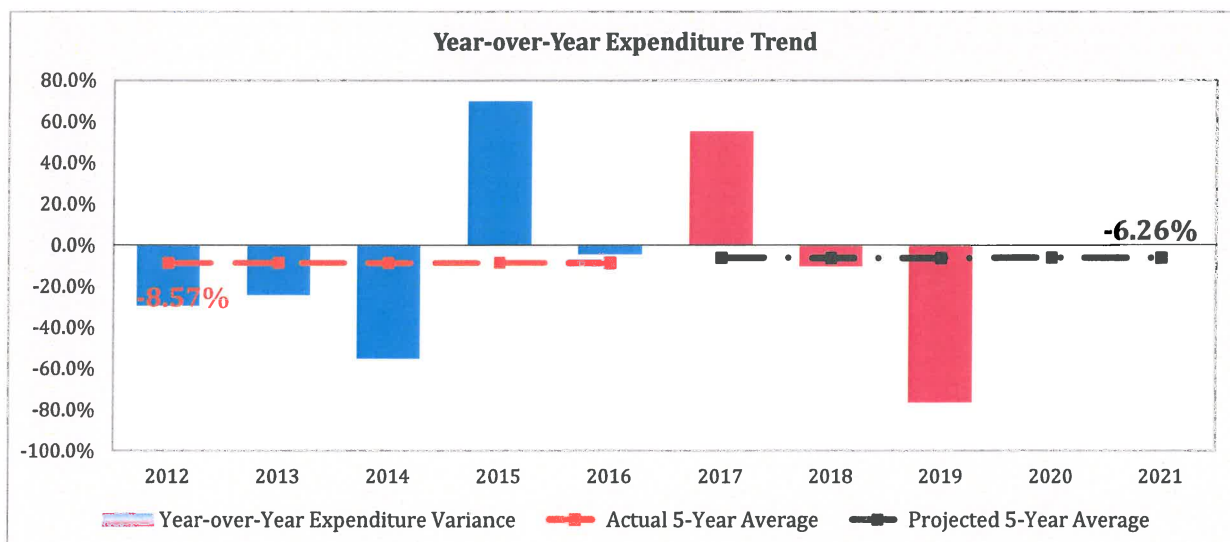
### 5.040 - Total Other Financing Uses

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



Other uses include fund-to-fund transfers as well as advances (temporary loans to other funds). The advances of \$225,000 per year in FY 2017 through FY 2021 are also reflected as revenue in the other sources note. The district did have a larger advance amount in FY 2016 which totaled \$1,309,326' this is reflected in the FY 2017 other sources revenue note. The district's fund to fund transfers are reflected below and includes a \$5.0 million transfer (over fiscal years 2017 and 2018) to the building project:

	Actual 2016	Projected				
		2017	2018	2019	2020	2021
<b>5.010 - Operating Transfers-Out</b>		Projections are not Based Upon Previous Fiscal Year				
Performing Arts Center	70,747	72,162	73,605	73,605	73,605	73,605
009 Fund Student Fees	95,481	95,481	98,345	101,296	101,296	101,296
Severance to 035 Fund	350,000	6,000	275,000	275,000	275,000	275,000
Transfer to Building Fund		2,800,000	2,200,000			
Other Transfers	231,322					
<b>Total [5.010]</b>	747,550	747,550	2,973,643	2,646,951	449,901	449,901



## Forecast Compare

Comparison of Previous Forecast Amounts to Current Forecasted Numbers  
F.Y. 2017

	Column A	Column B	Column C	Column D
	Previous	Current	Dollar Difference Between Previous and Current	Percent Difference Between Previous and Current
	Forecast Amounts For F.Y. 2017 Prepared on: 10/24/2016	Forecast Amounts For F.Y. 2017 Prepared on: 5/16/2017		
<b>Revenue:</b>				
1	Real Estate & Property Allocation	\$33,037,819	\$34,484,967	\$1,447,148 4.4%
2	Public Utility Personal Property	\$2,177,537	\$2,280,266	\$102,729 4.7%
3	Income Tax	\$0	\$0	\$0 n/a
4	State Foundation Restricted & Unrestricted	\$39,987,457	\$39,487,985	-\$499,472 -1.2%
5	Other Revenue	\$2,962,569	\$3,144,872	\$182,303 6.2%
6	Other Non Operating Revenue	\$1,309,326	\$1,482,161	\$172,835 13.2%
7	<b>Total Revenue</b>	<b>\$79,474,708</b>	<b>\$80,880,251</b>	<b>\$1,405,543 1.8%</b>
<b>Expenditures:</b>				
8	Salaries	\$35,450,885	\$35,700,013	\$249,128 0.7%
9	Fringe Benefits	\$12,703,076	\$12,469,780	-\$233,296 -1.8%
10	Purchased Services	\$21,796,016	\$21,821,326	\$25,310 0.1%
11	Supplies, Debt, Capital Outlay & Other	\$5,607,309	\$4,057,310	-\$1,549,999 -27.6%
12	Other Non Operating Expenditures	\$742,643	\$3,198,643	\$2,456,000 330.7%
13	<b>Total Expenditures</b>	<b>\$76,299,929</b>	<b>\$77,247,072</b>	<b>\$947,143 1.2%</b>
14	Revenue Over/(Under) Expenditures	\$3,174,779	\$3,633,178	\$458,399 0.6%*
15	Ending Cash Balance	\$26,848,327	\$27,306,727	\$458,400 0.6%*

\*Percentage expressed in terms of total expenditures

Line 1: real estate revenue is now increased for FY 2017 because of the county's collection of prior year delinquencies, this is being treated as one-time revenue. The revenue is also increased for better than expected collection of the district's fixed sum emergency levy. The calculation of this particular levy's rate is established each year by the county auditor and is therefore subject to change.

Line 4: state revenue for FY 2017 is now down because enrollment according to the Ohio Department of Education on May 5, 2017 has declined more than originally projected in October.

Line 6: other non-operating revenue is up because of FY 2016 advances made to other funds, which are being repaid to the general fund in FY 2017.

FY 2017 expenditures are currently projected to be 4.1% more than projected in October.

Line 11: Capital outlay is down \$1.5 million to reflect the passage of the district's bond levy and is being replaced with a fund-to-fund transfer to the district's building fund.

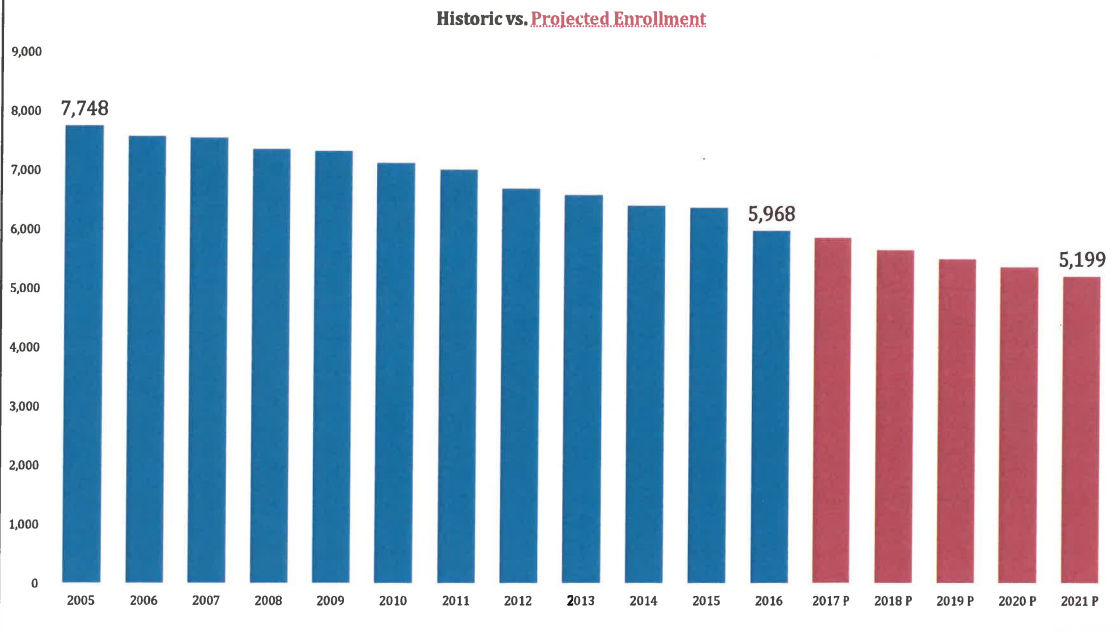
Line 12: Transfers are up \$2.4 million to include a \$2.8 million transfer to the district's building project fund. Reductions in other transfers offset a small portion of the 2.8 million transfer. A detailed schedule is in the other uses note.

Elyria City Schools

Fiscal Year:	Actual	FORECASTED				
	2016	2017	2018	2019	2020	2021
<b>Revenue:</b>						
1.010 - General Property Tax (Real Estate)	28,351,569	29,054,966	27,905,185	26,883,380	25,809,943	25,935,647
1.020 - Public Utility Personal Property	2,081,016	2,280,266	2,441,284	2,417,397	2,395,805	2,473,217
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	36,689,033	36,470,896	36,460,947	36,513,190	36,368,011	36,418,562
1.040 - Restricted Grants-in-Aid	2,672,141	3,017,089	2,925,288	2,865,213	2,814,983	2,756,799
1.045 - Restricted Federal Grants - SFSF	-	-	-	-	-	-
1.050 - Property Tax Allocation	5,918,971	5,430,001	4,602,830	4,177,869	3,912,348	3,784,736
1.060 - All Other Operating Revenues	3,216,210	3,144,872	2,951,519	3,052,512	3,157,742	3,267,404
1.070 - Total Revenue	78,928,940	79,398,090	77,287,053	75,909,561	74,458,831	74,636,365
<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	247,218	1,309,326	225,000	225,000	225,000	225,000
2.060 - All Other Financing Sources	1,238,782	172,835	-	-	-	-
2.070 - Total Other Financing Sources	1,486,000	1,482,161	225,000	225,000	225,000	225,000
2.080 - Total Rev & Other Sources	80,414,940	80,880,251	77,512,053	76,134,561	74,683,831	74,861,365
<b>Expenditures:</b>						
3.010 - Personnel Services	34,686,976	35,700,013	37,117,849	38,532,027	39,975,364	40,991,002
3.020 - Employee Benefits	12,099,912	12,469,780	14,242,140	15,106,348	16,024,299	16,916,124
3.030 - Purchased Services	20,558,524	21,821,326	22,163,991	22,767,845	23,388,862	24,027,554
3.040 - Supplies and Materials	2,194,557	2,325,592	2,397,281	2,471,416	2,548,086	2,627,389
3.050 - Capital Outlay	1,125,939	150,000	249,900	249,898	249,896	249,894
3.060 - Intergovernmental	-	-	-	-	-	-
<b>Debt Service:</b>						
4.010 - Principal-All Years	531,831	-	-	-	-	-
4.020 - Principal - Notes	-	-	-	-	-	-
4.030 - Principal - State Loans	-	-	-	-	-	-
4.040 - Principal - State Advances	-	-	-	-	-	-
4.050 - Principal - HB264 Loan	-	470,500	489,940	510,184	268,300	-
4.055 - Principal - Other	-	85,000	85,000	90,000	95,000	95,000
4.060 - Interest and Fiscal Charges	98,569	76,466	55,385	33,502	13,000	6,500
4.300 - Other Objects	887,902	949,752	968,747	988,122	1,007,884	1,028,042
4.500 - Total Expenditures	72,184,210	74,048,429	77,770,234	80,749,341	83,570,692	85,941,504
<b>Other Financing Uses</b>						
5.010 - Operating Transfers-Out	747,550	2,973,643	2,646,951	449,901	449,901	449,901
5.020 - Advances-Out	1,309,326	225,000	225,000	225,000	225,000	225,000
5.030 - All Other Financing Uses	1,394	-	-	-	-	-
5.040 - Total Other Financing Uses	2,058,270	3,198,643	2,871,951	674,901	674,901	674,901
5.050 - Total Exp and Other Financing Uses	74,242,480	77,247,072	80,642,185	81,424,243	84,245,593	86,616,406
6.010 - Excess of Rev Over/(Under) Exp	6,172,460	3,633,178	(3,130,132)	(5,289,681)	(9,561,762)	(11,755,041)
7.010 - Cash Balance July 1 (No Levies)	17,501,089	23,673,549	27,306,727	24,176,596	18,886,914	9,325,152
7.020 - Cash Balance June 30 (No Levies)	23,673,549	27,306,727	24,176,596	18,886,914	9,325,152	(2,429,889)
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	23,673,549	27,306,727	24,176,596	18,886,914	9,325,152	(2,429,889)
<b>Rev from Replacement/Renewal Levies</b>						
11.010 & 11.020 - Income & Property Tax-Renewal	-	-	-	1,476,212	2,958,343	2,970,241
11.030 - Cumulative Balance of Levies	-	-	-	1,476,212	4,434,555	7,404,796
12.010 - Fund Bal June 30 for Cert of Obligations	23,673,549	27,306,727	24,176,596	20,363,126	13,759,707	4,974,908
<b>Revenue from New Levies</b>						
13.010 & 13.020 - Income & Property Tax-New	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	23,673,549	27,306,727	24,176,596	20,363,126	13,759,707	4,974,908

### Enrollment - Head Count

	2017	2018	2019	2020	2021
Prior Year Actual/Estimated Enrollment (October Count)	5,968	5,847	5,643	5,486	5,352
<b>Projected Changes to Prior Year Enrollment</b>					
Net All-Grade Level Mobility Factor (Change) to Prior Year	-221	-215	-213	-207	-199
Net Aggregate Manual Adjustments to Mobility Factor	57	0	0	0	0
New Kindergartners In	447	432	460	437	442
Loss of Seniors from Prior Year	-404	-421	-404	-364	-396
Net Change in Outgoing and Incoming Pupils	43	11	56	73	46
<b>Current Year Estimated Enrollment (Simulated October Count)</b>	<b>5,847</b>	<b>5,643</b>	<b>5,486</b>	<b>5,352</b>	<b>5,199</b>
District Head Count	Grade				
K	447	432	460	437	442
1	409	427	412	439	417
2	469	384	401	387	412
3	502	451	369	386	372
4	408	475	427	349	366
5	410	395	460	413	338
6	416	403	388	452	406
7	436	413	400	385	448
8	459	427	404	392	377
9	556	522	486	460	446
10	459	500	469	437	413
11	455	410	446	419	390
12	421	404	364	396	372
<b>Total Can Differ by Rounding</b>	<b>5,847</b>	<b>5,643</b>	<b>5,486</b>	<b>5,352</b>	<b>5,199</b>
Year-Over-Year Percentage Change	-2.03%	-3.49%	-2.78%	-2.44%	-2.86%



The enrollment head count above represents the students attending the district. The count does not include community school or scholarship students which are added later for funding calculations. The FY 2017 head count above at 5,847 is the district's actual information from its late March, 2017 EMIS data collector file submitted to the Ohio Department of Education.

The district's recent enrollment trend reflects an average loss of about 220 students each year. The 2017 results are slightly better and could be an indication of an improved trend and should be monitored. However, actual three-year loss ratio has been used in modeling the above results that end with an enrollment of 5,199 in FY 2021.

Most of the loss of 220 students each year attend elsewhere which explains the increasing number of students attending community schools, other school districts, or involved in Ohio's scholarship program. The next supplemental note uses head count to calculated funded enrollment.

## Enrollment - Funded

	2017	2018	2019	2020	2021			
Prior Year <i>Actual</i> /Estimated Enrollment (October Count)	5,968	5,847	5,643	5,486	5,352			
<b>Projected Changes to Prior Year Enrollment</b>								
Net All-Grade Level Mobility Factor (Change) to Prior Year	(221)	(215)	(213)	(207)	(199)			
Net Aggregate Manual Adjustments to Mobility Factor	57	0	0	0	0			
New Kindergartners In	447	432	460	437	442			
Loss of Seniors from Prior Year	(404)	(421)	(404)	(364)	(396)			
Net Change in Outgoing and Incoming Pupils	43	11	56	73	46			
<b>Current Year Estimated Enrollment (Simulated October Count)</b>	<b>5,847</b>	<b>5,643</b>	<b>5,486</b>	<b>5,352</b>	<b>5,199</b>			
Students at the District	Grade							
Head Count	All Day K?	Yes	K	447	432	460	437	442
Kdg Tuition ADM Adjustment			1	409	427	412	439	417
			2	469	384	401	387	412
			3	502	451	369	386	372
			4	408	475	427	349	366
			5	410	395	460	413	338
			6	416	403	388	452	406
			7	436	413	400	385	448
			8	459	427	404	392	377
			9	556	522	486	460	446
			10	459	500	469	437	413
			11	455	410	446	419	390
			12	421	404	364	396	372
<b>Total Resident and Open Enrollment-In Educated by District</b>	<b>5,847</b>	<b>5,643</b>	<b>5,486</b>	<b>5,352</b>	<b>5,199</b>			
Adjustments Needed to Calculate	Less KG if Less Than Full Day	0	0	0	0			
Total Formula (Funded) ADM	Less Open Enrollment In K-3	(65)	(66)	(67)	(68)			
	Less Open Enrollment In 4-12	(215)	(218)	(221)	(228)			
	Plus Open Enrollment Out K-3	208	211	214	221			
	Plus Open Enrollment Out 4-12	415	421	428	441			
	Less Students Going to Career Tech at 80%, Plus 20% Contract JVS	(130)	(130)	(130)	(130)			
	Plus Community School & Charter School K-3	304	309	314	318			
	Plus Community School & Charter School 4-12, plus Scholarships	596	605	614	624			
	District Manual Adjustments to Formula (Funded)	60	30	30	30			
	<b>Total Formula (Funded) ADM</b>	<b>7,021.49</b>	<b>6,806.15</b>	<b>6,668.10</b>	<b>6,553.33</b>			
	Additional District Manual Adjustments to Total ADM Only	(0)						
	<b>Total ADM (Without Career Tech Adjustment)</b>	<b>7,151.38</b>	<b>6,936.05</b>	<b>6,797.99</b>	<b>6,549.74</b>			

Compared to its head count of just 5,847 students, the district's actual funded enrollment for the state's per pupil funding calculation is much higher at 7,021.49. The table above provides the detailed adjustments (blue area) to calculate from a head count enrollment (red area) of 5,847 to the funded enrollment of 7,021.49.

In FY 2017 the district has a net of 1,174 (Funded 7,021 minus Head Count 5,847) of its students attending elsewhere. In its simplistic form, head count is representative of the number of students actually served by the district.

The next page depicts in detail the community schools and the school districts serving the students attending elsewhere.

Note: the manual adjustment of +60 students reflects the percentage-of-time factor that is used to calculate attending for funding purposes as opposed to the 1.0 FTE count methodology.



### Enrollment - Students Attending Elsewhere

**COMMUNITY SCHOOL ENROLLMENT**

844.19

IRN	SCHOOL	FTE	% of Total
236	Ohio Connections Academy	21.31	2.5%
241	QDA	0.97	0.1%
301	Summit Academy Second Lorain	5.00	0.6%
318	Menlo Park Academy	0.98	0.1%
320	Constellation Schools: Lorain	3.60	0.4%
417	Buckeye On-Line School	4.97	0.6%
534	Constellation Schools: Puritas	1.00	0.1%
543	Pinnacle Academy	2.00	0.2%
609	Summit Academy MS Lorain	8.00	0.9%
936	Promise Academy	1.62	0.2%
8000	Lorain Preparatory Academy	1.24	0.1%
8064	Academy of Arts and Sciences	3.09	0.4%
11533	Horizon Science Academy Lorain	22.29	2.6%
12030	Near West Intergenerational	3.00	0.4%
12043	Frederick Douglass Reclamation	2.37	0.3%
12078	Quest Community School	1.00	0.1%
12867	Townsend North Community Sch	0.36	0.0%
13148	Stepstone Academy	1.00	0.1%
13994	Albert Einstein Academy	5.00	0.6%
14081	Insight School of Ohio	7.84	0.9%
132951	Lorain Community Elementary	1.63	0.2%
132969	ConstellationElyria Community	456.84	54.1%
133256	Parma Community	1.00	0.1%
133322	Summit Academy CS-Lorain	16.85	2.0%
133413	Electronic Classrm Of Tomorrow	139.29	16.5%
134122	Autism Model School	1.00	0.1%
142919	Life Skills Center of Elyria	62.92	7.5%
142950	Ohio Virtual Academy	40.97	4.9%
143305	Treca Digital Academy	3.98	0.5%
143396	Alternative Education Academy	22.09	2.6%
143479	Puritas Community Elementary	1.00	0.1%

**OPEN ENROLLMENT-OUT**

610.50

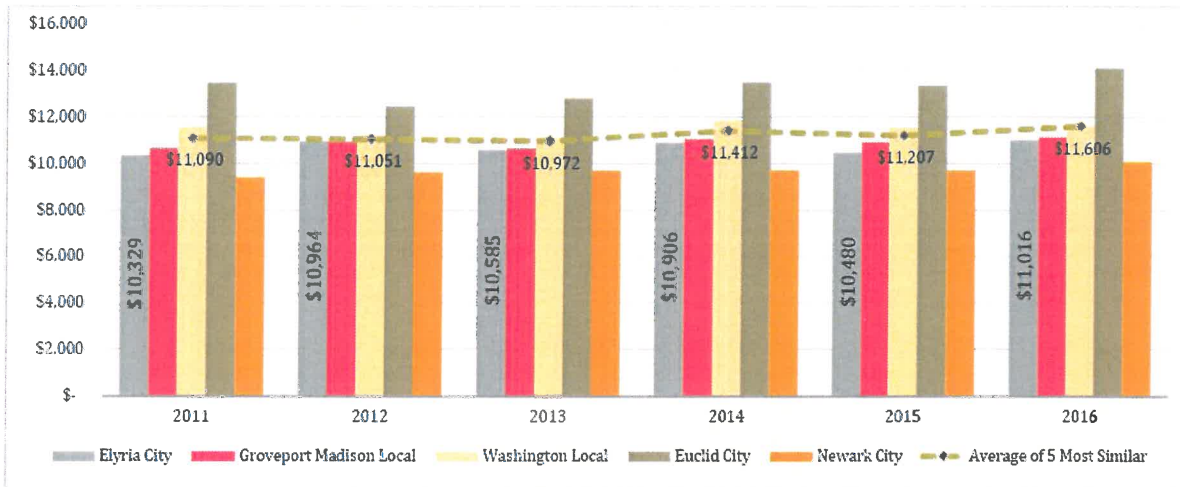
IRN	SCHOOL	FTE	% of Total
44263	LORAIN CSD	17.05	2.8%
44537	NORTH RIDGEVILLE CSD	1.00	0.2%
44594	OBERLIN CSD	15.89	2.6%
44768	SHEFFIELD-SHEFFIELD LAKE CSD	10.00	1.6%
45195	AMHERST EVSD	26.28	4.3%
46821	VERMILION LSD	3.10	0.5%
48132	CLEARVIEW LSD	51.22	8.4%
48140	COLUMBIA LSD	0.58	0.1%
48157	FIRELANDS LSD	30.67	5.0%
48165	KEYSTONE LSD	48.52	7.9%
48173	MIDVIEW LSD	404.12	66.2%
48462	BLACK RIVER LSD	0.08	0.0%
48470	BUCKEYE LSD (MEDINA CO.)	2.00	0.3%

**OPEN ENROLLMENT-IN**

260.27

IRN	SCHOOL	FTE	% of Total
43547	BAY VILLAGE CSD	1.00	0.4%
43786	CLEVELAND MUNICIPAL S.D.	3.01	1.2%
43950	EUCLID CSD	1.00	0.4%
44040	GARFIELD HEIGHTS CSD	1.00	0.4%
44263	LORAIN CSD	91.74	35.2%
44537	NORTH RIDGEVILLE CSD	19.57	7.5%
44594	OBERLIN CSD	8.05	3.1%
44768	SHEFFIELD-SHEFFIELD LAKE CSD	4.60	1.8%
45062	WESTLAKE CSD	1.00	0.4%
45195	AMHERST EVSD	11.66	4.5%
45658	WELLINGTON EVSD	1.00	0.4%
45856	BUCKEYE LSD (ASHTABULA CO.)	1.00	0.4%
46573	OLMSTED FALLS CSD	0.83	0.3%
46821	VERMILION LSD	3.47	1.3%
47746	WESTERN RESERVE LSD (HURON)	0.82	0.3%
48116	AVON LSD	6.00	2.3%
48124	AVON LAKE CSD	2.00	0.8%
48132	CLEARVIEW LSD	5.55	2.1%
48157	FIRELANDS LSD	2.99	1.1%
48165	KEYSTONE LSD	17.35	8.7%
48173	MIDVIEW LSD	73.62	28.3%
48462	BLACK RIVER LSD	1.00	0.4%
50047	NORDONIA HILLS CSD	2.00	0.8%

### Per Pupil Expenditures



The district's per pupil cost totaled \$11,016 in FY 2016 which is slightly above a previous peak spending level of \$10,964 established in FY 2012. The district's per pupil cost increased \$536 in FY 2016. The district continues to spend less than the average established by the district's in Ohio deemed most similar to Elyria by the Ohio Department of Education.

In FY 2016 Elyria spent almost \$600 less per pupil than these most similar districts. At the same time the district kept a much closer pace with the similar district when it comes to the allocation of resources toward direct instruction.

