



Elyria City Schools

# Five Year Forecast Financial Report

May, 2019

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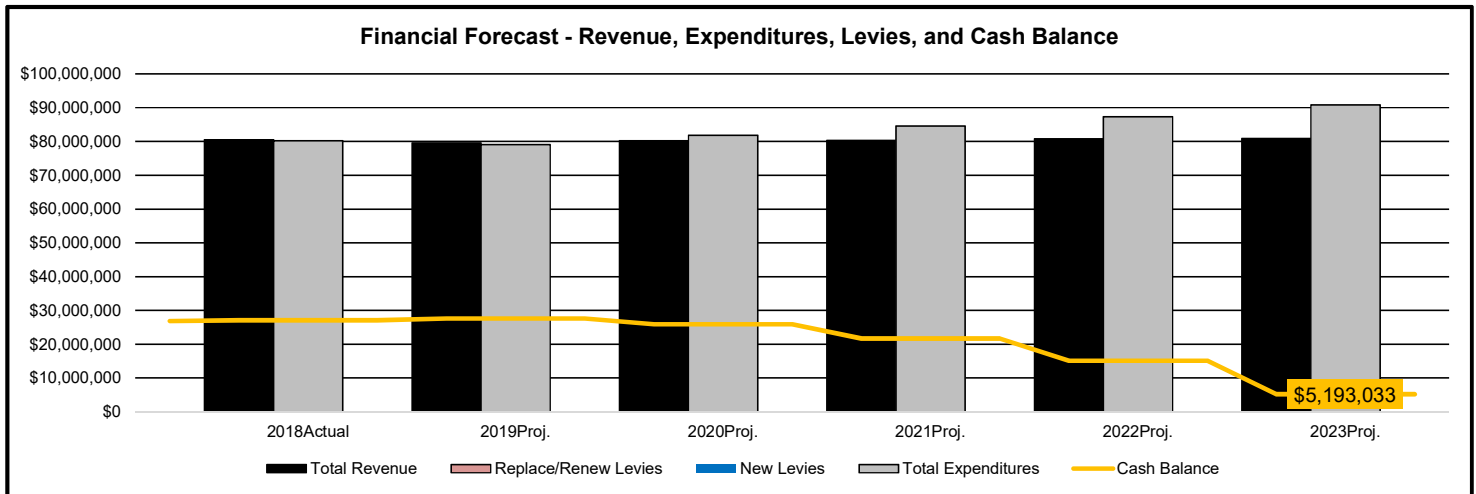
### Forecast Purpose/Objectives

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



## Elyria City Schools

### Financial Forecast

	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Beginning Balance	27,109,997	27,578,306	25,943,510	21,694,967	15,133,812
+ Revenue	79,572,494	80,213,847	80,298,093	80,762,643	80,907,531
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(79,104,185)	(81,848,643)	(84,546,636)	(87,323,798)	(90,848,310)
= Revenue Surplus or Deficit	468,309	(1,634,796)	(4,248,543)	(6,561,155)	(9,940,779)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	27,578,306	25,943,510	21,694,967	15,133,812	5,193,033

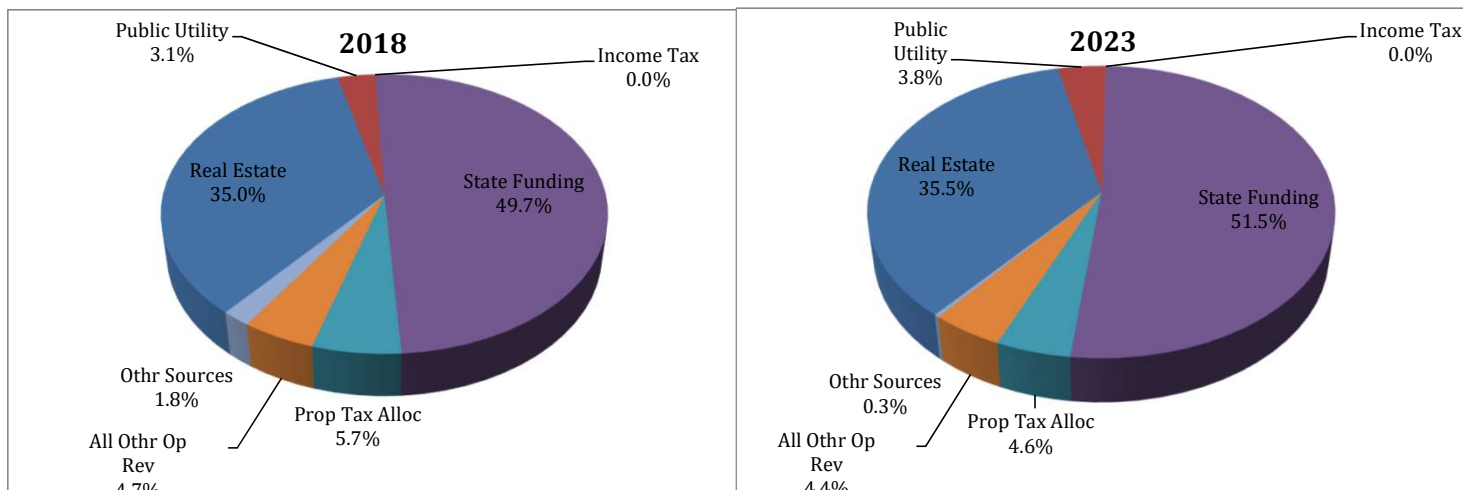
### Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	468,309	(1,634,796)	(4,248,543)	(6,561,155)	(9,940,779)
Ending Balance w/o Levies	27,578,306	25,943,510	21,694,967	15,133,812	5,193,033

Elyria Schools' financial picture has improved modestly since the filing of the October forecast. Over the forecast period, revenues have increased by an estimated \$1.1 million above what was previously being forecast. Aggregate expenditure estimates have dropped by about \$640,000

Much of the growth in revenue is due to expected increases in state funding under the current school funding formula. However, since the current formula seems unlikely to remain in place past FY 2019, this will need to be revisited for the October forecast. The expenditure forecast is improving because of lower than anticipated salary costs and slower growth of purchased services than was expected in October. In addition, we now have a better representation of the impacts of the building project on the forecast in future years.

## 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	0.53%	-0.71%	0.51%	1.15%	0.49%	0.27%	0.34%
1.020-Public Utility	9.10%	-5.19%	25.93%	-4.72%	3.99%	3.84%	4.77%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	2.14%	-0.68%	3.70%	0.31%	1.11%	0.22%	0.93%
1.040-Restricted Aid	235.36%	5.47%	-4.88%	-0.90%	-1.45%	-1.08%	-0.57%
1.045-Restr Federal SF	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-6.97%	-9.74%	-2.48%	-3.27%	-3.20%	-1.59%	-4.06%
1.060-All Other Operating	14.28%	15.29%	-14.42%	-1.63%	-1.40%	-1.19%	-0.67%
<b>1.070-Total Revenue</b>	<b>1.99%</b>	<b>-0.37%</b>	<b>1.58%</b>	<b>0.11%</b>	<b>0.58%</b>	<b>0.18%</b>	<b>0.42%</b>
<b>2.070-Total Other Sources</b>	<b>9.48%</b>	<b>-43.95%</b>	<b>-72.89%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>-23.37%</b>
<b>2.080-Total w/Other Srcs</b>	<b>1.68%</b>	<b>-1.17%</b>	<b>0.81%</b>	<b>0.11%</b>	<b>0.58%</b>	<b>0.18%</b>	<b>0.10%</b>

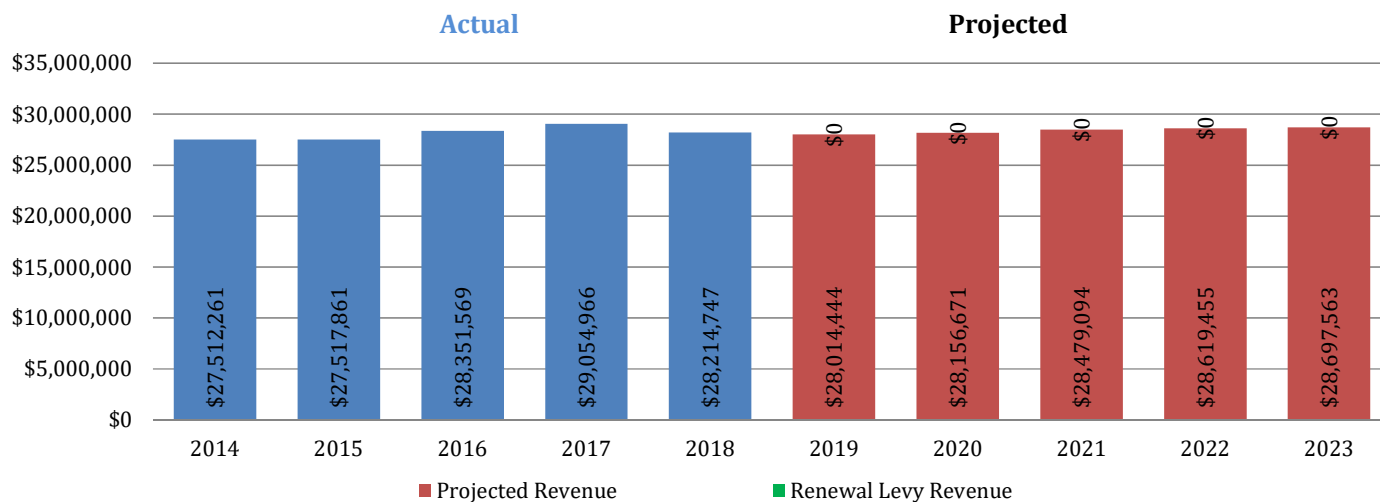
Overall revenues are expected to remain virtually flat over the next five years, growing at an average annual rate of just over 0.4 percent annually. Over the previous five years, revenues grew at an average annual rate of two percent.

The district's two largest sources of revenue are primarily responsible for the slowing of growth. Unrestricted state aid, the largest source of district revenue, grew at an average rate of two percent per year over the previous five years. Over the next five years it is expected to grow less than one percent per year (dependent upon a new funding formula). Real property taxes, which grew about one-half percent per year in the last five years are expected to grow by about 0.3 percent per year over the next five years.

In addition to these two items, the district will continue to be hurt by anticipated declining other revenue sources.

### 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	28,214,747	28,014,444	28,156,671	28,479,094	28,619,455	28,697,563
YOY \$ Change	(840,219)	(200,303)	142,227	322,423	140,361	78,108
YOY % Change	-2.9%	-0.7%	0.5%	1.1%	0.5%	0.3%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	35.0%	35.2%	35.1%	35.5%	35.4%	35.5%

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	771,665,600	4,148,140	39.65	(0.59)	47.05	(0.28)	97.7%
2018	815,967,630	44,302,030	38.31	(1.35)	44.38	(2.68)	96.1%
2019	815,969,655	2,025	38.47	0.17	44.53	0.16	96.8%
2020	815,971,349	1,695	38.64	0.17	44.69	0.16	96.8%
2021	830,460,100	14,488,751	38.16	(0.48)	44.31	(0.39)	96.8%
2022	830,463,484	3,384	38.15	(0.00)	44.29	(0.01)	96.8%

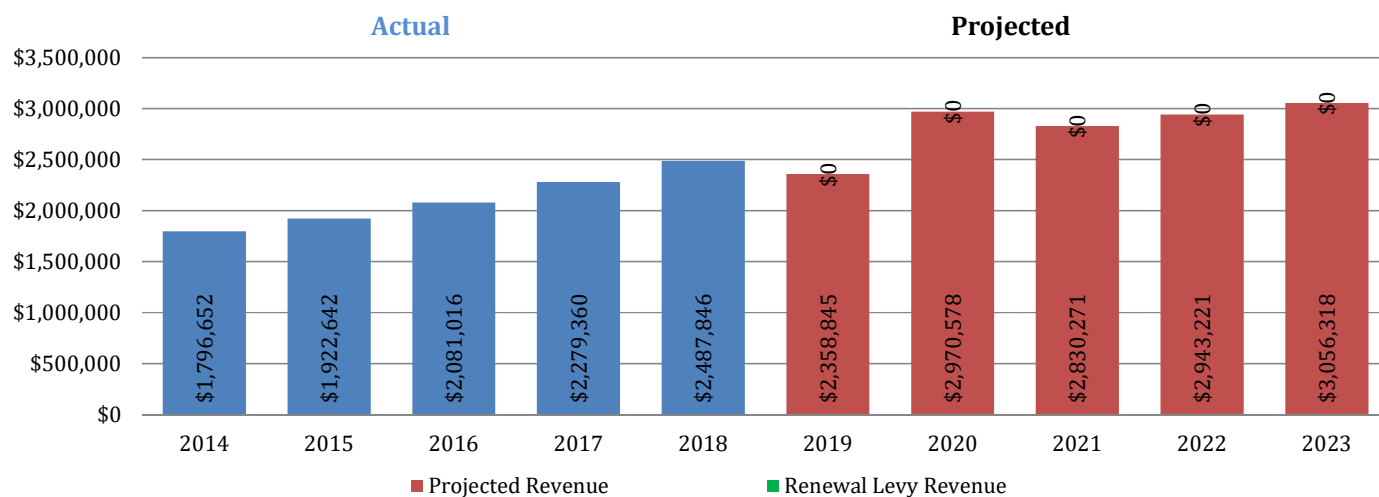
Real estate property taxes contribute about 35 percent of the operating budget of the Elyria Schools. They are expected to remain relatively flat across the forecast period. There is a slight drop in revenue in FY 2019 because of lower delinquent payments. Revenues should grow modestly each year going forward.

2018 was a reappraisal year in Lorain County. Residential values in the district increased by about 4.4 percent at the reappraisal, in line with the October forecast. The triennial update in 2021 is expected to add two percent of additional growth onto residential values. Business property values grew at 8.7 percent at the reappraisal, much higher than anticipated. However, because of reduced tax rates because of the valuation increase, business tax revenues increased modestly from the year before.

\*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.



	2018	FORECASTED				
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	2,487,846	2,358,845	2,970,578	2,830,271	2,943,221	3,056,318
YOY \$ Change	208,486	(129,001)	611,733	(140,307)	112,950	113,097
YOY % Change	9.1%	-5.2%	25.9%	-4.7%	4.0%	3.8%

Percentage of Total Revenue	3.1%	3.0%	3.7%	3.5%	3.6%	3.8%
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Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2017	37,890,370	2,630,280	67.73	(0.60)	100.0%
2018	39,580,360	1,689,990	67.21	(0.52)	100.0%
2019	41,156,599	1,576,239	67.35	0.14	100.0%
2020	42,795,888	1,639,289	67.49	0.14	100.0%
2021	44,500,749	1,704,861	67.37	(0.12)	100.0%
2022	46,253,749	1,753,000	67.34	(0.03)	100.0%

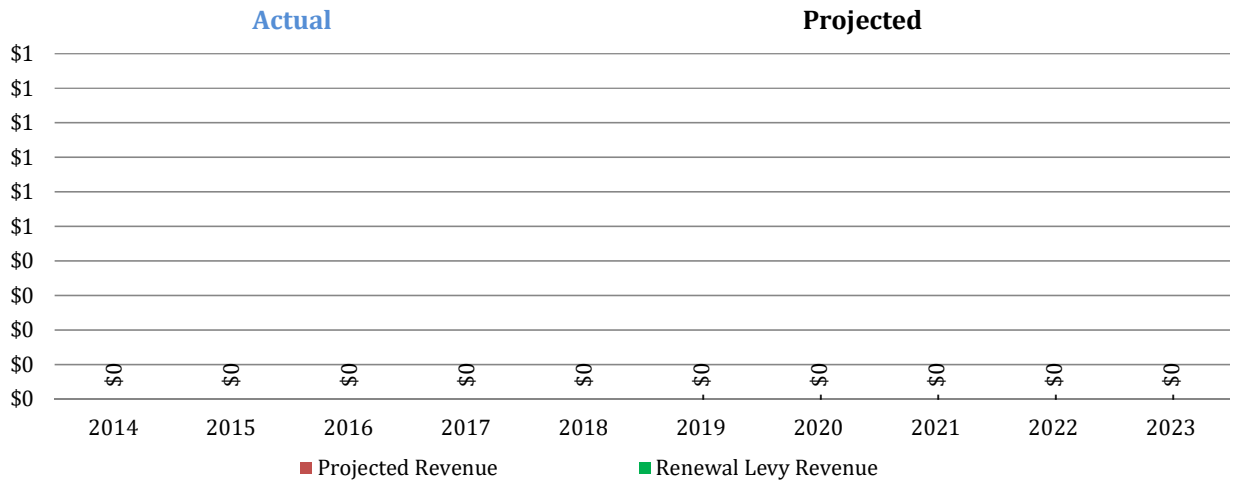
Public utility property values are expected to grow at an average annual rate of four percent during the forecast period. Because this property is taxed at the full voted tax rate, the district will receive full growth from the four percent increase.

In the first half of 2019, Columbia gas was late making its payment. Because of that, the graph above shows a sharp drop in revenue for FY 2019 with a corresponding rebound in FY 2020.

\*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.



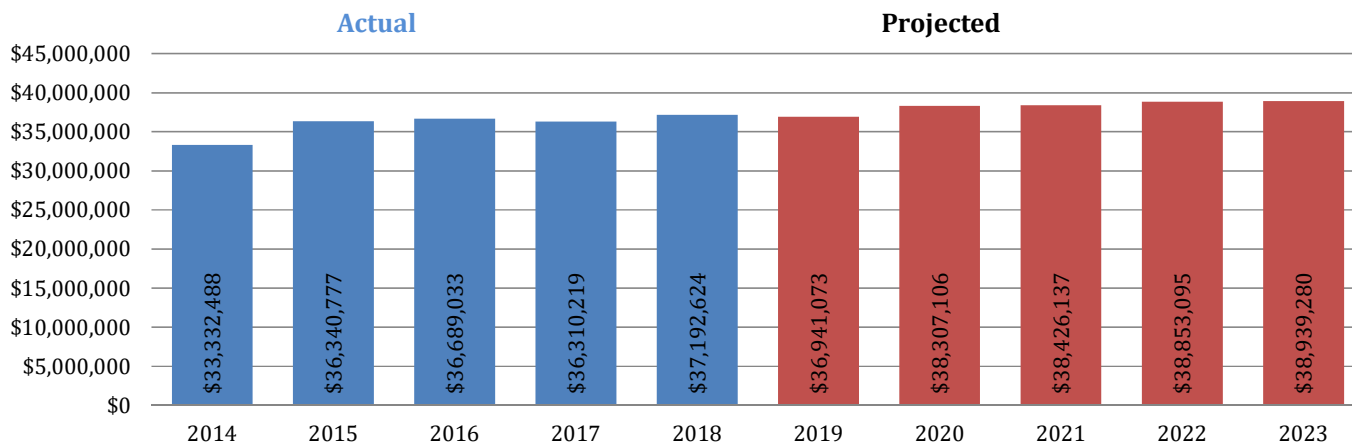
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	-	-	-	-	-	-
YOY \$ Change	-	-	-	-	-	-
YOY % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Elyria schools do 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	37,192,624	36,941,073	38,307,106	38,426,137	38,853,095	38,939,280
YOY \$ Change	882,405	(251,551)	1,366,033	119,031	426,958	86,185
YOY % Change	2.4%	-0.7%	3.7%	0.3%	1.1%	0.2%

Percentage of Total Revenue	46.2%	46.4%	47.8%	47.9%	48.1%	48.1%
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Core Funding Per Pupil	6,010	6,020	6,030	6,040	6,050	6,060
State Share Index (SSI)	59.2%	59.2%	60.8%	60.8%	61.8%	61.8%
State Core Funding Per Pupil	3,557	3,563	3,668	3,674	3,739	3,745

Formula ADM (Funded Student Count)	6,953	6,904	6,888	6,800	6,689	6,606
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Funding Status	Guarantee	Formula	Capped	Formula	Formula	Formula
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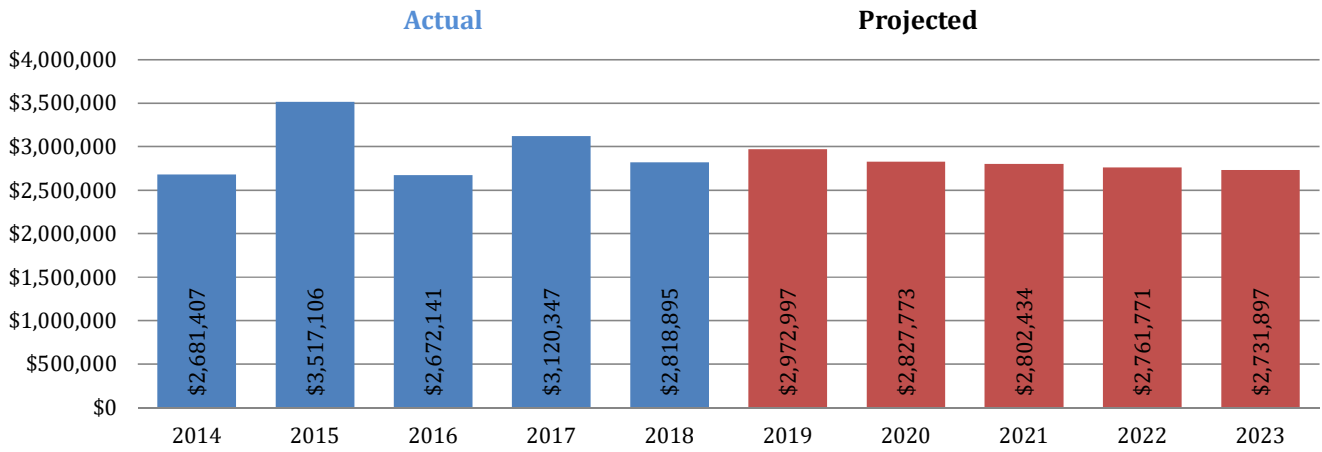
Unrestricted state aid is the largest source of revenue for the operating budget, supplying over 46 percent of revenues. State aid is driven by a combination of both enrollment and property values. These contribute to a State Share Index (SSI) that determines the amount of aid the district gets from the state under the current funding formula. The district's SSI is 59 percent, meaning the state generally is paying 59 percent of calculated aid. This percentage is expected to rise through the five-year forecast period as long as the current funding formula stays in place.

There are two changes to the funding formula being discussed in the state budget, one based on the Governor's introduced version and the other based on the proposals of the Cupp-Patterson Workgroup. A change from the current formula looks likely, so we will have to monitor that for the October forecast.



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

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

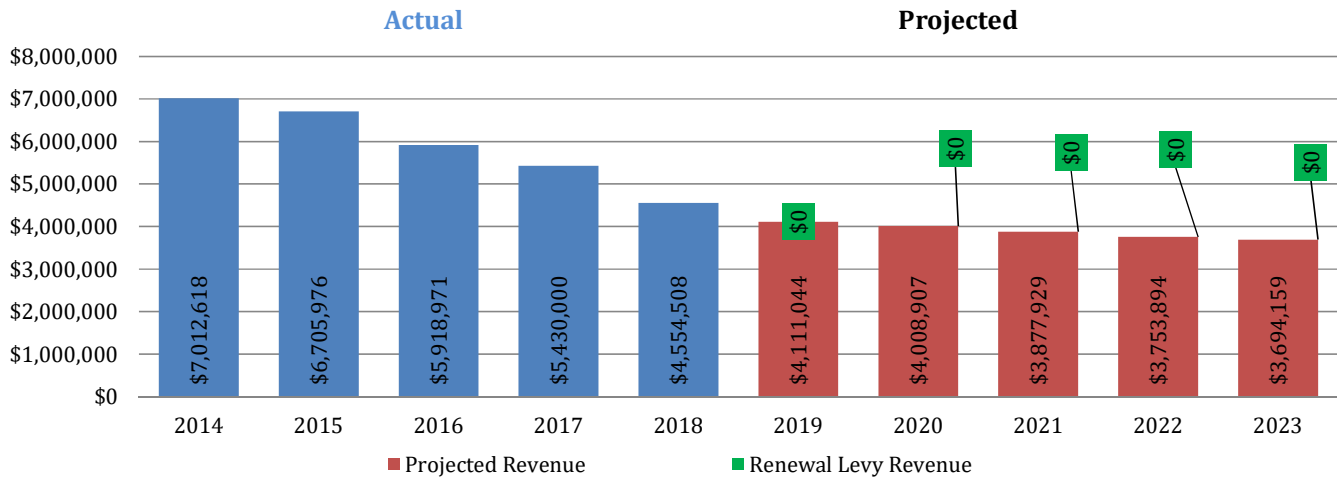


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	2,818,895	2,972,997	2,827,773	2,802,434	2,761,771	2,731,897
YOY \$ Change	(301,453)	154,102	(145,224)	(25,339)	(40,663)	(29,874)
YOY % Change	-9.7%	5.5%	-4.9%	-0.9%	-1.5%	-1.1%
Percentage of Total Revenue	3.5%	3.7%	3.5%	3.5%	3.4%	3.4%
Economic Disadvantaged Funding	2,449,459	2,632,307	2,487,170	2,461,831	2,421,168	2,391,294
Percentage of Disadvantaged Students	67.6%	68.7%	67.6%	67.6%	67.6%	67.6%

Restricted state aid consists of our economic disadvantaged and career tech funding from the state, plus catastrophic cost payments for high cost special needs students. Restricted aid is only about 3.5 percent of total revenue and is anticipated to remain about flat this year and to decline slightly across the forecast period. This could also change dependent upon any changes to the state funding formula.

### 1.050 - Property Tax Allocation

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



	2018	2019	2020	2021	2022	2023
<b>Total With Renewal Levies</b>	4,554,508	4,111,044	4,008,907	3,877,929	3,753,894	3,694,159
<b>YOY \$ Change</b>	(875,492)	(443,464)	(102,137)	(130,978)	(124,035)	(59,735)
<b>YOY % Change</b>	-16.1%	-9.7%	-2.5%	-3.3%	-3.2%	-1.6%
<b>Percentage of Total Revenue</b>	5.7%	5.2%	5.0%	4.8%	4.6%	4.6%
<b>% of Residential Real Estate 10% Rollback</b>	9.97%	9.97%	9.97%	9.97%	9.97%	9.97%
<b>% of Residential Real Estate 2.5% Rollback</b>	1.82%	1.82%	1.82%	1.82%	1.82%	1.82%
<b>% of Residential Real Estate Homestead</b>	5.52%	5.52%	5.52%	5.52%	5.52%	5.52%

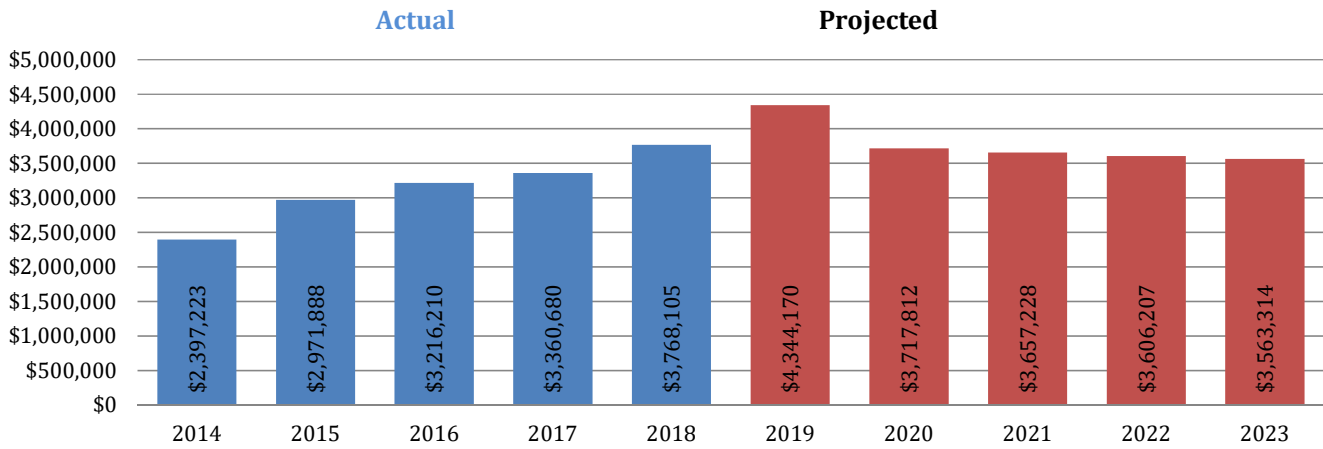
Tangible personal property (TPP) tax reimbursements continue to phase out during the forecast period. The district had gotten two different TPP reimbursements. One was for fixed-rate current expense levies and the other for the district's fixed-sum emergency levy. The fixed-rate reimbursement had been phasing-out over the past six years. During the 2015/2016 school year, the district received almost \$1.5 million from the state. By 2017 that amount had dropped to \$728,000. FY 2018 was the final year we receive fixed-rate reimbursements, about \$225,000.

The emergency levy reimbursements began phasing-out last year and will do so over the next four years. The difference between fixed-sum reimbursements and fixed-rate is that the district does not lose money as the emergency levy reimbursement falls off. Rather, the tax rate on all taxpayers adjusts upward so additional taxes are raised to replace the phasing-out reimbursements. Last year, the district received \$652,000 in fixed-sum reimbursement payments. Once these payments have fully phased-out, the emergency levy tax rate will have increased about 0.8 mill to replace the lost reimbursements.

*\*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	3,768,105	4,344,170	3,717,812	3,657,228	3,606,207	3,563,314
YOY \$ Change	407,425	576,065	(626,358)	(60,584)	(51,021)	(42,893)
YOY % Change	12.1%	15.3%	-14.4%	-1.6%	-1.4%	-1.2%
Percentage of Total Revenue	4.7%	5.5%	4.6%	4.6%	4.5%	4.4%

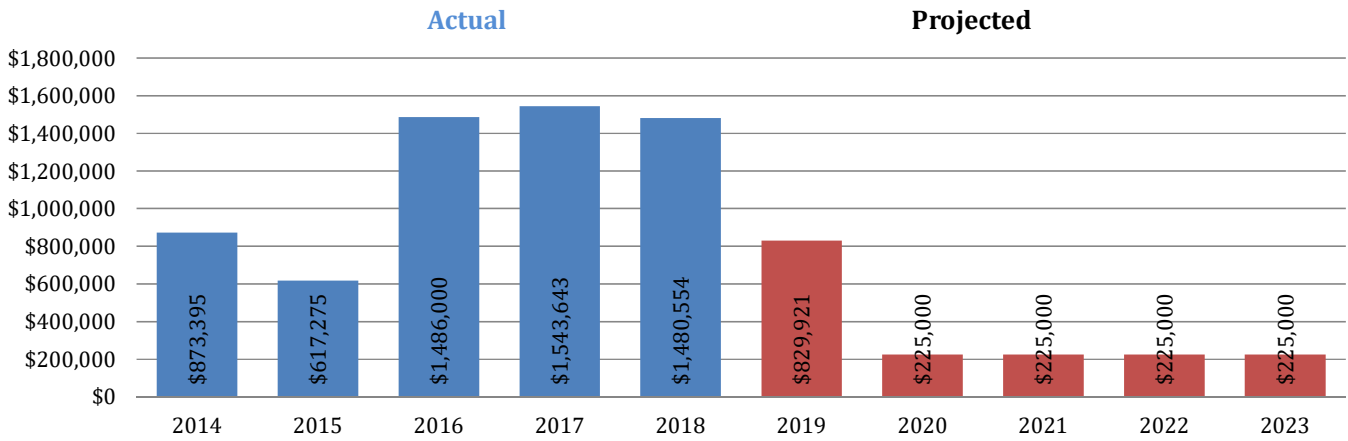
Other revenue provides about five percent of the operating money to the district. The biggest contributors to other revenue are payments for students open enrolling into the district, interest income on district investments, and reimbursements for Medicaid expenses.

Other revenue is growing by about 15 percent this year, primarily from higher than expected Medicaid reimbursements and interest income. Medicaid reimbursements are expected to fall back to more normal levels beginning next year. Interest income is expected to decline some each year as cash balances reduce because of operating deficits.

In both 2018 and 2019, the district received worker's compensation rebates from the state of about \$200,000 each year. These are not anticipated in future years, one of the causes of the revenue decline anticipated in 2020.

## 2.070 - Total Other Financing Sources

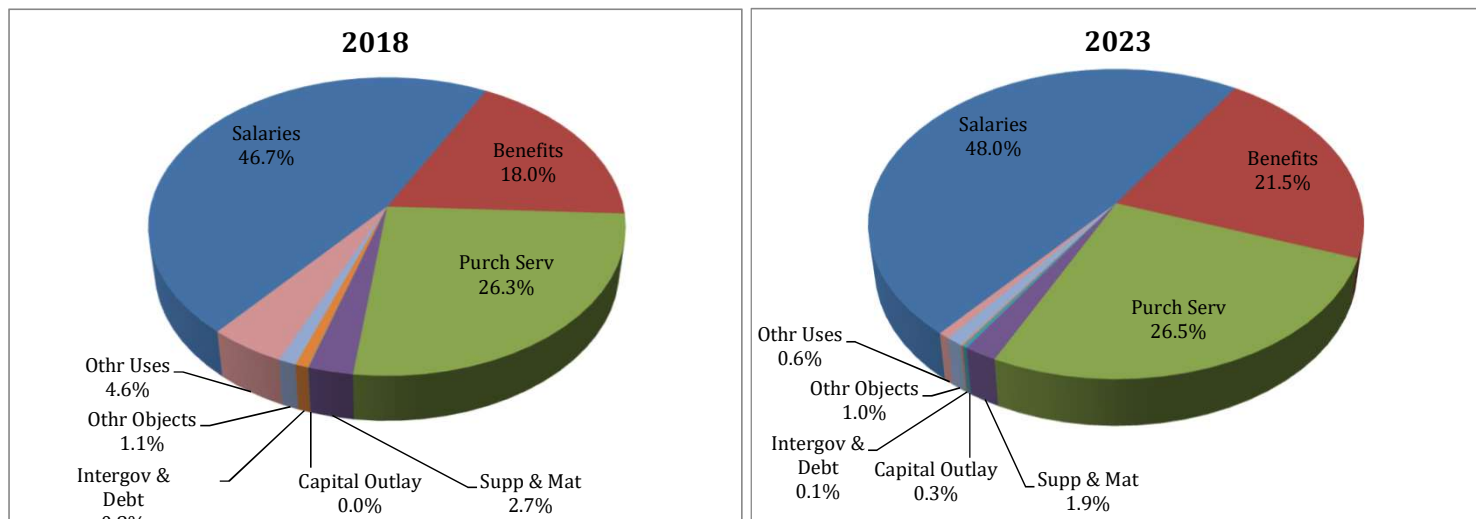
Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



	2018	2019	2020	2021	2022	2023
<b>Total</b>	1,480,554	829,921	225,000	225,000	225,000	225,000
<b>YOY \$ Change</b>	(63,089)	(650,633)	(604,921)	-	-	-
<b>YOY % Change</b>	-4.1%	-43.9%	-72.9%	0.0%	0.0%	0.0%
<b>Percentage of Total Revenue</b>	1.8%	1.0%	0.3%	0.3%	0.3%	0.3%
<b>Transfers In</b>	-	-	-	-	-	-
<b>Advances In</b>	1,454,378	811,550	225,000	225,000	225,000	225,000

This revenue source is primarily return payments to the operating fund of advances made to other funds in the prior year. This year the return will be about \$800,000. Going forward we are assuming that advances out of \$225,000 will be made each year that are returned in the following year.

### 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	0.22%	3.12%	3.51%	3.18%	2.32%	3.26%	3.08%
3.020-Benefits	3.31%	3.43%	6.42%	7.26%	6.59%	7.79%	6.30%
3.030-Purchased Services	1.78%	3.60%	1.95%	2.28%	2.90%	2.96%	2.74%
3.040-Supplies & Materials	15.51%	-25.47%	2.51%	1.82%	1.83%	1.83%	-3.50%
3.050-Capital Outlay	84.93%	114.95%	463.81%	0.00%	0.00%	0.00%	115.75%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	0.07%	-0.26%	-40.32%	-73.03%	-6.40%	0.00%	-24.00%
4.300-Other Objects	0.92%	2.78%	1.74%	1.36%	1.37%	1.38%	1.73%
4.500-Total Expenditures	1.38%	2.51%	3.50%	3.32%	3.31%	4.06%	3.34%
5.040-Total Other Uses	22.18%	-83.90%	0.00%	0.00%	0.00%	0.00%	-16.78%
5.050-Total w/Other Uses	1.57%	-1.44%	3.47%	3.30%	3.28%	4.04%	2.53%

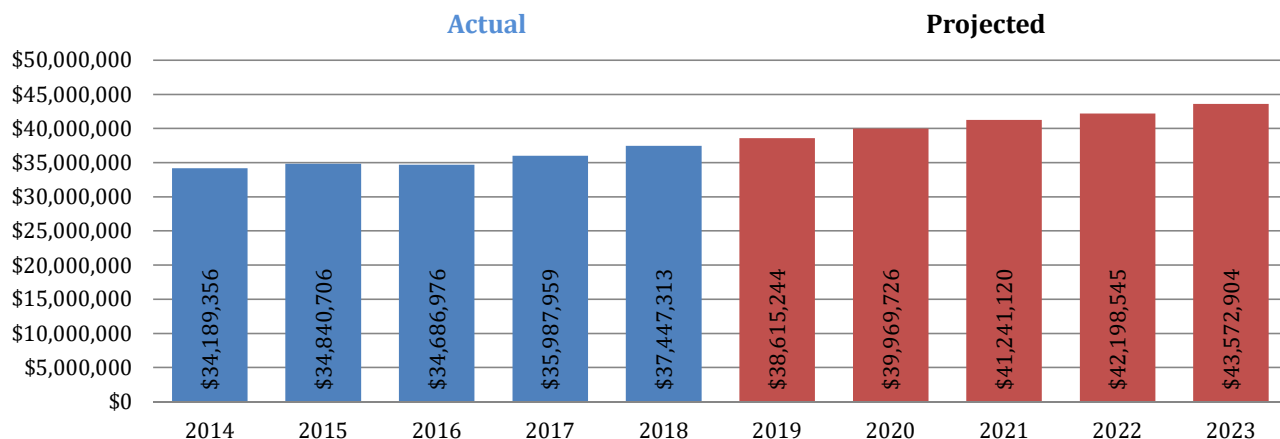
Overall expenditures are expected to increase at an annual average rate of about 3.3 percent over the five-year forecast period, after growing just 1.4 percent in the previous five years. Most of this growth is in personnel costs.

In the previous five years, spending on salaries was virtually flat and benefit costs increased at a 3.3 percent annual rate. Following the 23 percent increase in health care expenditures last year, health insurance costs leveled out this year. However, starting in 2020, they are anticipated to begin growing again at double-digit rates each year.

Because district enrollment seems to be stabilizing, we are not expecting staffing declines over the next four years that could offset increases in base salaries, other than those tied to the district's building project. Supply purchases over the last two years have been inflated by textbook purchases and implementation of one-to-one technology. That spending has returned to normal levels this year and is expected to remain there.

### 3.010 - Personnel Services

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	37,447,313	38,615,244	39,969,726	41,241,120	42,198,545	43,572,904
YOY \$ Change	1,459,353	1,167,931	1,354,482	1,271,394	957,425	1,374,359
YOY % Change	4.1%	3.1%	3.5%	3.2%	2.3%	3.3%
Percentage of Total Budget	46.7%	48.8%	48.8%	48.8%	48.3%	48.0%

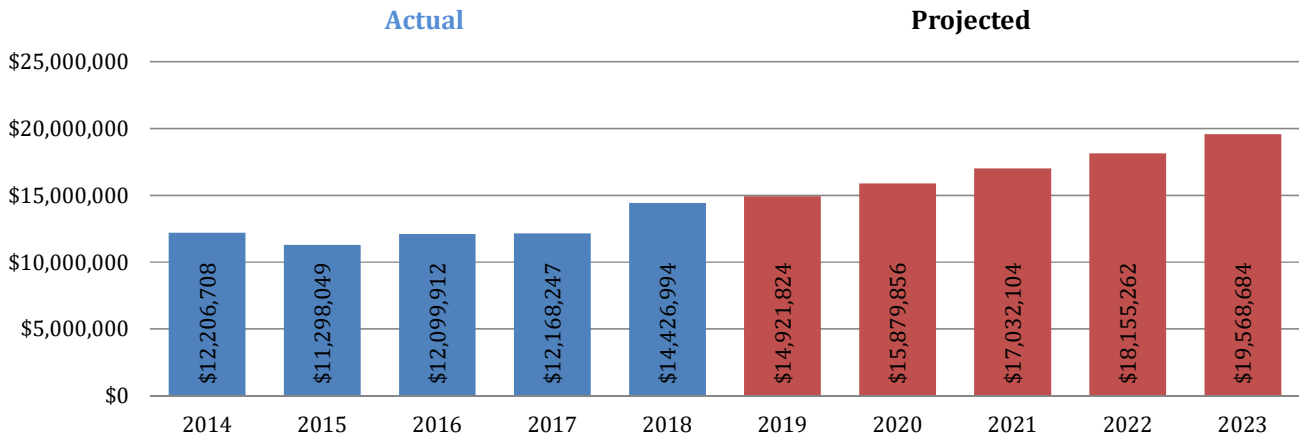
Employee salaries are the largest portion of spending, accounting for over 48 percent of total expenditures. The current labor contracts call for base pay increases of two percent per year through the 2018/2019 school year. To reserve money to pay for potential base increases beyond the 2019 fiscal year, we are assuming that base wage increases continue at two percent per year through the end of the forecast period. In addition to base increases, the forecast assumes that employees receive step increases each year.

Prior to the beginning of this school year, the district saw 22 teachers leave the Elyria School System. The district hired 23 new teachers, for a net increase of one staff member. However, in general, the new teachers were brought in at lower salaries than the outgoing teachers, yielding savings of an estimated \$567,000 annually.

The forecast is built considering the consolidation of buildings with the opening of new schools beginning with the 2020/2021 school year. Based on current estimates, we assumed a projected decline of two teaching positions that school year and three additional teaching positions, along with one administrator position and six custodial positions with the 2021 school openings.

### 3.020 - Employees' Benefits

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



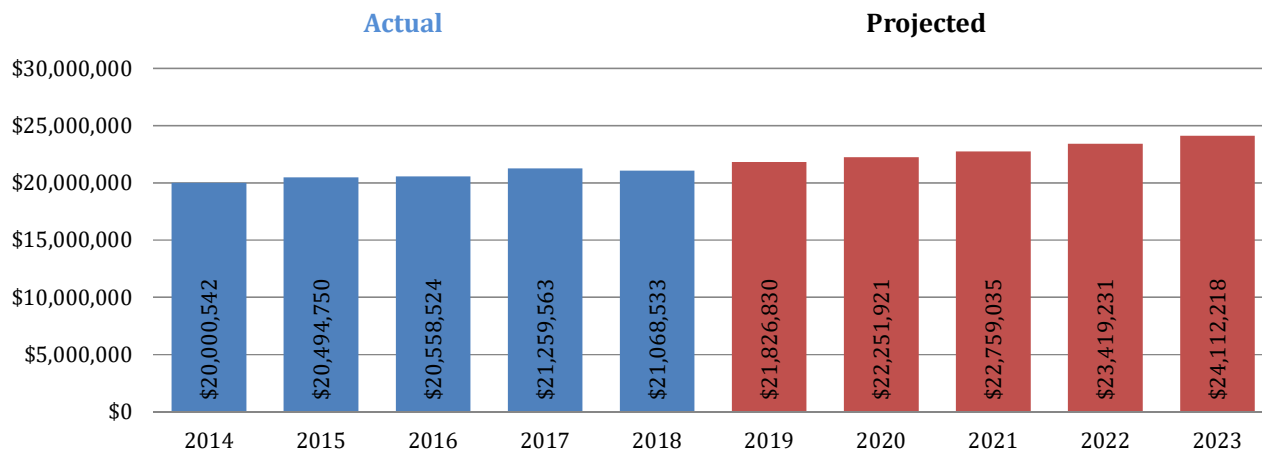
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	14,426,994	14,921,824	15,879,856	17,032,104	18,155,262	19,568,684
YOY \$ Change	2,258,746	494,830	958,032	1,152,248	1,123,158	1,413,422
YOY % Change	18.6%	3.4%	6.4%	7.3%	6.6%	7.8%
Percentage of Total Budget	18.0%	18.9%	19.4%	20.1%	20.8%	21.5%

Employee benefits make up about 19 percent of total spending. The benefits are broken into two types, salary driven benefits such as SERS/STRS and Medicare, and health Insurance benefits. The salary driven benefits will generally grow at the same rate as overall salaries increase.

Health care premium growth will depend on the balance in our self-insurance fund, employee utilization of benefits, and general market conditions. Effective July 1, 2017, premium costs increased by over 23 percent from the prior year. That increase led to a replenishing of the self-insurance fund, so this school year there was not an additional increase in health insurance rates. However, general market conditions have caused premium growth rates of 10-12 percent annually. Until we have a better sense of how the premium increase impacts the long-term health of our self-insured fund, we forecast a 10 percent increase next year and 12 percent annual increases each year thereafter.

### 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	21,068,533	21,826,830	22,251,921	22,759,035	23,419,231	24,112,218
YOY \$ Change	(191,029)	758,297	425,091	507,114	660,196	692,987
YOY % Change	-0.9%	3.6%	1.9%	2.3%	2.9%	3.0%
Percentage of Total Budget	26.3%	27.6%	27.2%	26.9%	26.8%	26.5%

Purchased services account for over 27 percent of total operating spending. The majority of these expenditures consist of deductions for students attending school outside the district, whether from open enrollment, going to community schools, accepting scholarships, or being placed outside the district, plus transportation costs.

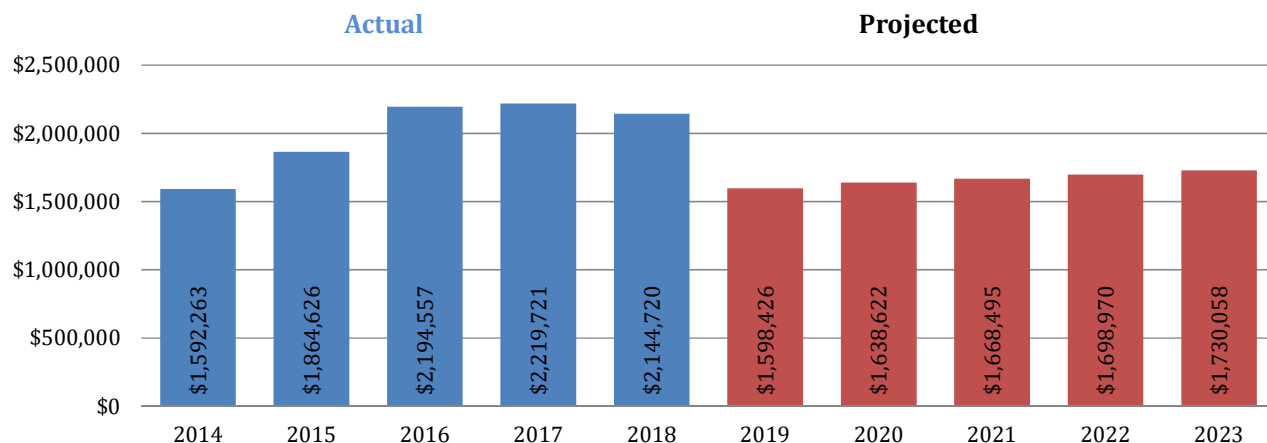
After falling some in 2018 because of the closing of ECOT, purchased services are growing again in 2019. Expenditures are expected to grow about 3.6 percent this year and at annual rates between two and three percent in future years.

In 2021 and 2022, we are anticipating some savings each year from the opening of the new buildings. The new buildings should reduce natural gas costs and maintenance costs. We expect electric costs to increase because all the buildings will be air conditioned.



### 3.040 - Supplies & Materials

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



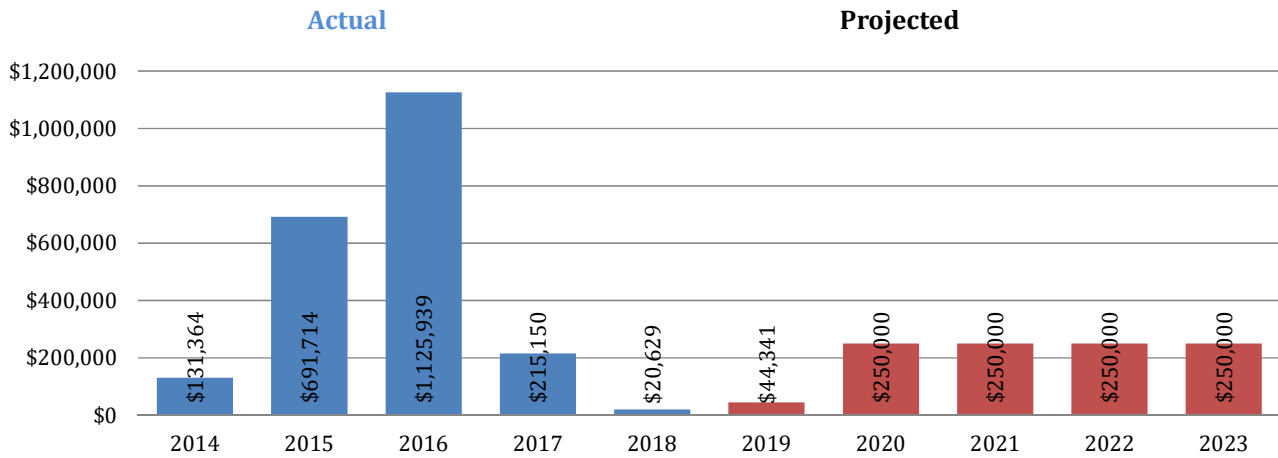
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	2,144,720	1,598,426	1,638,622	1,668,495	1,698,970	1,730,058
YOY \$ Change	(75,000)	(546,294)	40,196	29,873	30,475	31,088
YOY % Change	-3.4%	-25.5%	2.5%	1.8%	1.8%	1.8%
Percentage of Total Budget	2.7%	2.0%	2.0%	2.0%	1.9%	1.9%

Supply costs the last couple years have been inflated by textbook purchases and purchases of Chromebooks to implement one-to-one technology. General supply costs are returning to more normal levels this year and are expected to increase by about two percent per year beginning in 2020. We continue to allocate \$150,000 per year for textbook purchases.

Maintenance supplies, which fell sharply in 2017 and then again in 2018 and are growing about 1.3 percent this year and are expected to grow about two percent going forward.

### 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.

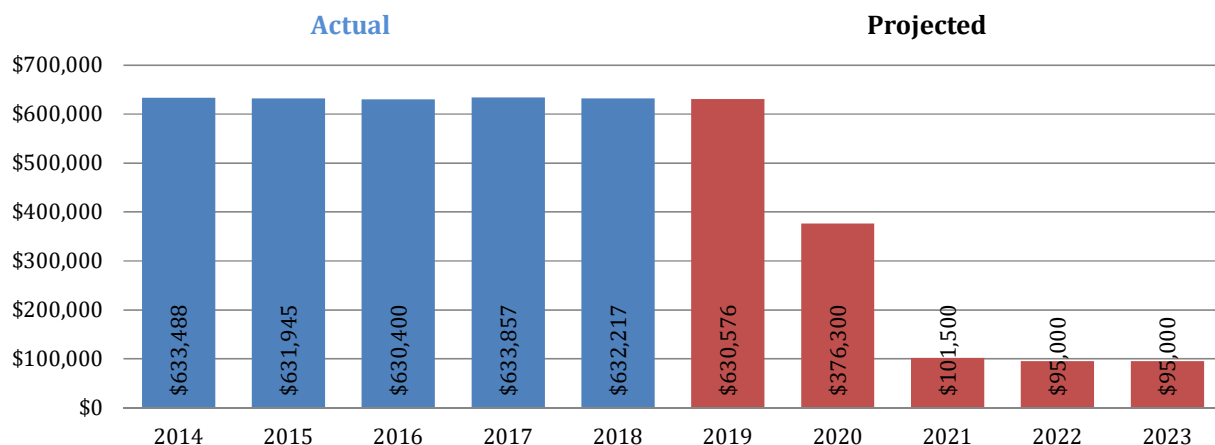


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	20,629	44,341	250,000	250,000	250,000	250,000
YOY \$ Change	(194,522)	23,712	205,659	-	-	-
YOY % Change	-90.4%	114.9%	463.8%	0.0%	0.0%	0.0%
Percentage of Total Budget	0.0%	0.1%	0.3%	0.3%	0.3%	0.3%

Expenditures for capital out of the operating budget are a fraction of one percent of total spending. We are allocating \$250,000 per year for technical equipment. Currently that is for replacing technology. In the future the spending will go toward equipping the new buildings.

### 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.

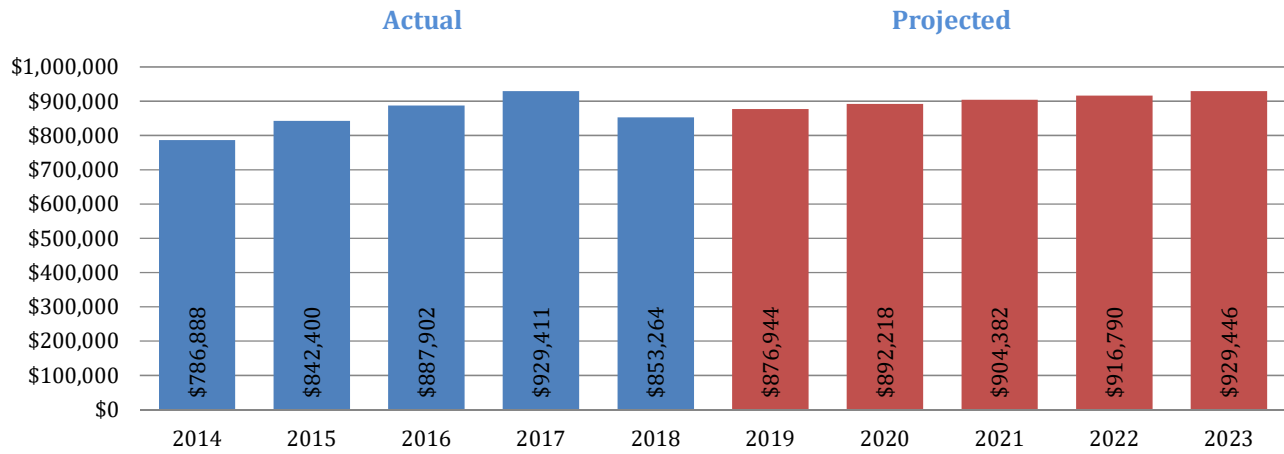


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	632,217	630,576	376,300	101,500	95,000	95,000
YOY \$ Change	(1,640)	(1,641)	(254,276)	(274,800)	(6,500)	-
YOY % Change	-0.3%	-0.3%	-40.3%	-73.0%	-6.4%	0.0%
Percentage of Total Budget	0.8%	0.8%	0.5%	0.1%	0.1%	0.1%

The district makes debt payments out of the operating fund for its 2005 Energy Conservation Bonds and the OSFC historical landmark project. Payments on the energy project, by far the largest source of this spending, falls off in 2020 and ends in 2021 as the bonds are fully paid off.

### 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.

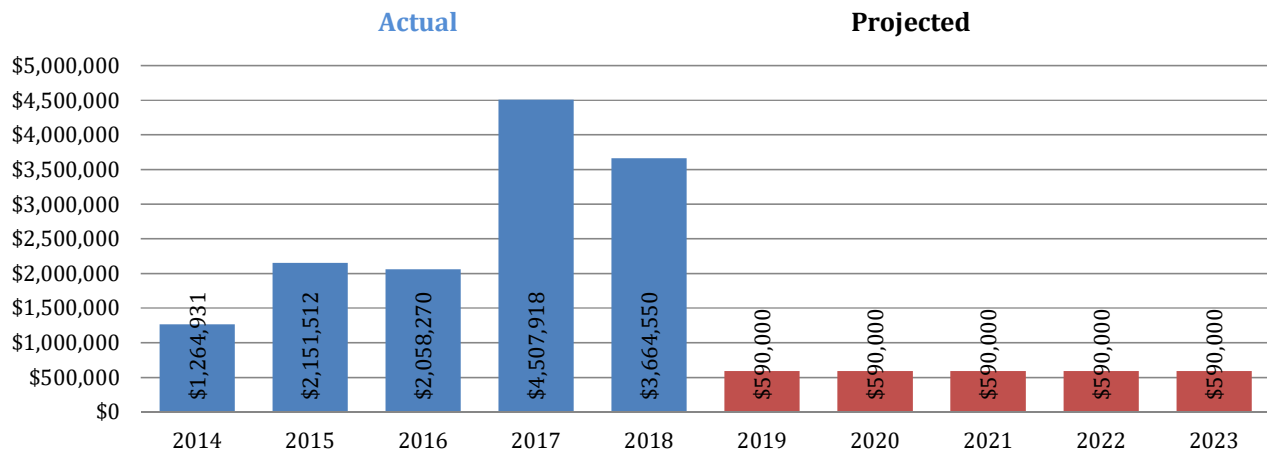


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	853,264	876,944	892,218	904,382	916,790	929,446
YOY \$ Change	(76,146)	23,680	15,274	12,164	12,408	12,656
YOY % Change	-8.2%	2.8%	1.7%	1.4%	1.4%	1.4%
Percentage of Total Budget	1.1%	1.1%	1.1%	1.1%	1.0%	1.0%

Other expenses are just over one percent of total spending. The majority of this is for property tax collection and other fees. These fees fell in 2018, and are expected to grow by a little more than one percent per year going forward.

### 5.040 - Total Other Financing Uses

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



	2018	2019	2020	2021	2022	2023
<b>Total</b>	3,664,550	590,000	590,000	590,000	590,000	590,000
<b>YOY \$ Change</b>	(843,368)	(3,074,550)	-	-	-	-
<b>YOY % Change</b>	-18.7%	-83.9%	0.0%	0.0%	0.0%	0.0%
<b>Percentage of Total Budget</b>	<b>4.6%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.6%</b>
<b>Transfers Out</b>	2,853,000	365,000	365,000	365,000	365,000	365,000
<b>Advances Out</b>	811,550	225,000	225,000	225,000	225,000	225,000

The biggest portion of other uses in 2017 and 2018 was about \$5 million in transfers to the building fund for construction of the stadium. Beyond 2018, transfers to the student fees fund and the severance fund make up most of these expenditures. In addition, there are the expected advances out of \$225,000 per year that will be returned to the operating fund in the following year.

## Elyria City Schools

### Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2018	2019	2020	2021	2022	2023
<b>Revenue:</b>						
1.010 - General Property Tax (Real Estate)	28,214,747	28,014,444	28,156,671	28,479,094	28,619,455	28,697,563
1.020 - Public Utility Personal Property	2,487,846	2,358,845	2,970,578	2,830,271	2,943,221	3,056,318
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	37,192,624	36,941,073	38,307,106	38,426,137	38,853,095	38,939,280
1.040 - Restricted Grants-in-Aid	2,818,895	2,972,997	2,827,773	2,802,434	2,761,771	2,731,897
1.050 - Property Tax Allocation	4,554,508	4,111,044	4,008,907	3,877,929	3,753,894	3,694,159
1.060 - All Other Operating Revenues	3,768,105	4,344,170	3,717,812	3,657,228	3,606,207	3,563,314
<b>1.070 - Total Revenue</b>	<b>79,036,725</b>	<b>78,742,573</b>	<b>79,988,847</b>	<b>80,073,093</b>	<b>80,537,643</b>	<b>80,682,531</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	1,454,378	811,550	225,000	225,000	225,000	225,000
2.060 - All Other Financing Sources	26,176	18,371	-	-	-	-
<b>2.070 - Total Other Financing Sources</b>	<b>1,480,554</b>	<b>829,921</b>	<b>225,000</b>	<b>225,000</b>	<b>225,000</b>	<b>225,000</b>
<b>2.080 - Total Rev &amp; Other Sources</b>	<b>80,517,279</b>	<b>79,572,494</b>	<b>80,213,847</b>	<b>80,298,093</b>	<b>80,762,643</b>	<b>80,907,531</b>
<b>Expenditures:</b>						
3.010 - Personnel Services	37,447,313	38,615,244	39,969,726	41,241,120	42,198,545	43,572,904
3.020 - Employee Benefits	14,426,994	14,921,824	15,879,856	17,032,104	18,155,262	19,568,684
3.030 - Purchased Services	21,068,533	21,826,830	22,251,921	22,759,035	23,419,231	24,112,218
3.040 - Supplies and Materials	2,144,720	1,598,426	1,638,622	1,668,495	1,698,970	1,730,058
3.050 - Capital Outlay	20,629	44,341	250,000	250,000	250,000	250,000
Intergovernmental & Debt Service	632,217	630,576	376,300	101,500	95,000	95,000
4.300 - Other Objects	853,264	876,944	892,218	904,382	916,790	929,446
<b>4.500 - Total Expenditures</b>	<b>76,593,670</b>	<b>78,514,185</b>	<b>81,258,643</b>	<b>83,956,636</b>	<b>86,733,798</b>	<b>90,258,310</b>
<b>Other Financing Uses</b>						
5.010 - Operating Transfers-Out	2,853,000	365,000	365,000	365,000	365,000	365,000
5.020 - Advances-Out	811,550	225,000	225,000	225,000	225,000	225,000
5.030 - All Other Financing Uses	-	-	-	-	-	-
<b>5.040 - Total Other Financing Uses</b>	<b>3,664,550</b>	<b>590,000</b>	<b>590,000</b>	<b>590,000</b>	<b>590,000</b>	<b>590,000</b>
<b>5.050 - Total Exp and Other Financing Uses</b>	<b>80,258,220</b>	<b>79,104,185</b>	<b>81,848,643</b>	<b>84,546,636</b>	<b>87,323,798</b>	<b>90,848,310</b>
<b>6.010 - Excess of Rev Over/(Under) Exp</b>	<b>259,058</b>	<b>468,309</b>	<b>(1,634,796)</b>	<b>(4,248,543)</b>	<b>(6,561,155)</b>	<b>(9,940,779)</b>
<b>7.010 - Cash Balance July 1 (No Levies)</b>	<b>26,850,938</b>	<b>27,109,997</b>	<b>27,578,306</b>	<b>25,943,510</b>	<b>21,694,967</b>	<b>15,133,812</b>
<b>7.020 - Cash Balance June 30 (No Levies)</b>	<b>27,109,997</b>	<b>27,578,306</b>	<b>25,943,510</b>	<b>21,694,967</b>	<b>15,133,812</b>	<b>5,193,033</b>
		Reservations				
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-	-
<b>10.010 - Fund Bal June 30 for Cert of App</b>	<b>27,109,997</b>	<b>27,578,306</b>	<b>25,943,510</b>	<b>21,694,967</b>	<b>15,133,812</b>	<b>5,193,033</b>
<b>Rev from Replacement/Renewal Levies</b>						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
<b>12.010 - Fund Bal June 30 for Cert of Obligations</b>	<b>27,109,997</b>	<b>27,578,306</b>	<b>25,943,510</b>	<b>21,694,967</b>	<b>15,133,812</b>	<b>5,193,033</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>27,109,997</b>	<b>27,578,306</b>	<b>25,943,510</b>	<b>21,694,967</b>	<b>15,133,812</b>	<b>5,193,033</b>