Exhibit "B"

Garfield Heights City Schools

Five Year Financial Forecast

Fiscal Years 2013 through 2017

<u>Board of Education</u>

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Terrance S. Olszewski, Superintendent

Allen D. Sluka, Treasurer/CFO

October 2012

TO: **THE GARFIELD HEIGHTS CITY SCHOOLS BOARD OF EDUCATION, ADMINISTRATORS, STAFF, COMMUNITY OF GARFIELD HEIGHTS, AND READERS**

RE: FINANCIAL FORECASTED FISCAL YEARS 2013 THROUGH 2017

The financial forecast, presents, to the best of the Treasurer's knowledge and beliefs, the Garfield City Schools expected financial position and results of operations for the forecasted periods. Accordingly, the forecast reflects judgments as of October 15, 2012.

A forecast is somewhat like a painting of the future based upon a snapshot of today. That snapshot, however, will be adjusted and the further into the future the forecast extends, the more likely it is that the projections will deviate from actual experience. A variety of events will ultimately impact the latter years of the forecast, such as state budgets (adopted every two years), tax levies (new/renewal/ replacement), salary increases, or businesses moving in or out of the district. The five-year forecast is viewed as a **key management tool** and must be updated periodically. In Ohio, most school districts understand how they will manage their finances in the current year. The five-year forecast encourages district management teams to examine future years' projections and identify when challenges will arise. This then helps district management to be proactive in meeting those challenges.

In a financial forecast, the numbers only tell a small part of the story. For the numbers to be meaningful, the reader must review and consider the *Assumptions to the Financial Forecast* before drawing conclusions or using the data as a basis for other calculations. The assumptions are very important to understanding the rationale of the numbers, particularly when a significant increase or decrease is reflected. There will usually be differences between forecasted and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. Extra caution is urged when analyzing the out years of these fiscal projections. Because we are attempting to look four years into the future, several significant assumptions were made that have an impact on the bottom line.

Managing long-term plans, in and of itself, will not ensure fiscal stability. As long as the current method of funding public education in Ohio remains, there will be periodic needs for additional operating revenues.

Since the preparation of a meaningful five-year forecast is as much an art as it is a science and entails many intricacies, it is recommended that you contact me with any questions you may have.

Respectfully submitted,

Allen D. Sluka
Treasurer/CFO

GARFIELD HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

FOR THE FISCAL YEARS ENDED JUNE 30, 2010, 2011 AND 2012 ACTUAL;
FORECASTED FISCAL YEARS ENDING JUNE 30, 2013 THROUGH 2017

		Actual			Forecasted				
Line Number		Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017
	Revenues								
1.010	General Property Tax (Real Estate)	$11,899,176	$12,105,157	$11,394,050	$12,948,163	$14,464,019	$14,484,563	$13,485,325	$11,312,634
1.020	Tangible Personal Property Tax	749,967	583,866	446,612	505,844	554,875	554,597	520,857	455,385
1.030	Income Tax	-	-	-	-	-	-	-	-
1.035	Unrestricted State Grants-in-Aid (All 3100's except 3130)	16,219,497	16,153,750	17,077,677	17,111,159	17,096,156	17,101,252	17,106,451	17,106,451
1.040	Restricted State Grants-in-Aid (All 3200's)	1,419,311	434,531	(572,312)	42,500	42,500	42,500	42,500	42,500
1.045	Restricted Federal Grants-in-Aid - SFSF/Ed Jobs (4220)	xxxxxxxxxx	1,098,218	1,370,113	196,800	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx
1.050	Property Tax Allocation (3130)	2,951,581	2,996,351	2,316,682	2,425,791	2,640,318	2,640,354	2,486,307	2,157,268
1.060	All Other Revenues except 1931,1933,1940,1950,5100, 5200	1,040,209	1,154,994	1,017,720	1,019,020	1,019,020	1,019,020	1,019,020	1,019,020
1.070	*Total Revenues*	34,279,741	34,526,867	33,050,542	34,249,276	35,816,887	35,842,286	34,660,461	32,093,258
	Other Financing Sources								
2.040	Operating Transfers-In (5100)	-	-	-	-	-	-	-	-
2.050	Advances-In (5200)	705,000	182,200	818,657	441,685	-	-	-	-
2.060	All Other Financing Sources (including 1931 and 1933)	224	143,655	-	-	-	-	-	-
2.070	*Total Other Financing Sources*	705,224	325,855	818,657	441,685	-	-	-	-
2.080	*Total Revenues and Other Financing Sources*	34,984,965	34,852,722	33,869,199	34,690,961	35,816,887	35,842,286	34,660,461	32,093,258
	Expenditures								
3.010	Personal Services	20,688,274	19,520,756	20,367,296	19,763,109	19,976,271	20,375,797	20,732,373	21,095,190
3.020	Employees' Retirement/Insurance Benefits	7,168,820	6,841,548	6,963,631	7,104,731	7,498,304	7,960,875	8,457,184	9,020,683
3.030	Purchased Services	5,256,437	4,709,226	5,245,280	5,664,902	6,118,095	6,607,542	7,136,146	7,707,037
3.040	Supplies and Materials	602,367	530,656	547,844	761,540	780,579	800,093	820,095	840,598
3.050	Capital Outlay	113,725	145,134	80,621	82,637	84,702	86,820	88,990	91,215
3.060	Intergovernmental (7600 and 7700 functions)	-	-	-	-	-	-	-	-
	Debt Service:								
4.010	Principal-All (History Only)	734,085	734,085	734,085	-	-	-	-	-
4.050	Principal-HB 264 Loans	-	-	-	-	-	-	-	-
4.055	Principal-Other	-	-	-	282,820	282,820	282,820	282,820	282,820
4.060	Interest and Fiscal Charges	-	-	-	-	-	-	-	-
4.300	Other Objects	603,553	618,877	846,454	741,454	759,990	778,990	798,465	818,426
4.500	*Total Expenditures*	35,167,261	33,100,282	34,785,211	34,401,194	35,500,761	36,892,937	38,316,073	39,855,969
	Other Financing Uses								
5.010	Operating Transfers-Out	166	35,772	157,942	100,000	100,000	100,000	100,000	100,000
5.020	Advances-Out	388,500	737,375	441,685	-	-	-	-	-
5.030	All Other Financing Uses	-	10,100	-	5,000	5,000	5,000	5,000	5,000
5.040	*Total Other Financing Uses*	388,666	783,247	599,627	105,000	105,000	105,000	105,000	105,000
5.050	*Total Expenditures and Other Financing Uses*	35,555,927	33,883,529	35,384,838	34,506,194	35,605,761	36,997,937	38,421,073	39,960,969
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	(570,962)	969,193	(1,515,639)	184,768	211,126	(1,155,651)	(3,760,613)	(7,867,711)

GARFIELD HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

FOR THE FISCAL YEARS ENDED JUNE 30, 2010, 2011 AND 2012 ACTUAL;
FORECASTED FISCAL YEARS ENDING JUNE 30, 2013 THROUGH 2017

		Actual			Forecasted				
Line Number		Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017
7.010	*Cash Balance July 1 - Excluding Proposed Renewal/* Replacement and New Levies	2,353,043	1,782,081	2,751,274	1,235,635	1,420,403	1,631,529	475,878	(3,284,735)
7.020	*Cash Balance June 30*	1,782,081	2,751,274	1,235,635	1,420,403	1,631,529	475,878	(3,284,735)	(11,152,446)
	Revenue from Replacement/Renewal Levies								
11.010	Income Tax - Renewal	-	-	-	-	-	-	-	-
11.020	Property Tax - Renewal or Replacement	-	-	-	-	-	-	1,300,000	3,982,000
11.300	Cumulative Balance of Replacement/Renewal Levies	-	-	-	-	-	-	1,300,000	5,282,000
15.010	*Unreserved Fund Balance June 30*	$ 1,384,797	$ 2,170,740	$ 822,854	$ 1,420,403	$ 1,631,529	$ 475,878	$ (1,984,735)	$ (5,870,446)

See accompanying summary of significant forecast assumptions and accounting policies

GARFIELD HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

FOR THE FISCAL YEARS ENDED JUNE 30, 2010, 2011 AND 2012 ACTUAL;
FORECASTED FISCAL YEARS ENDING JUNE 30, 2013 THROUGH 2017

Line Number		Prev 3 Yr Avg Annual % Change	Fiscal Year 2013 Forecasted	Fiscal Year 2014 Forecasted	Fiscal Year 2015 Forecasted	Fiscal Year 2016 Forecasted	Fiscal Year 2017 Forecasted	Five-Year Avg. Annual % Change
	Revenues							
1.010	General Property Tax (Real Estate)	-2.07%	13.64%	11.71%	0.14%	-6.90%	-16.11%	0.50%
1.020	Tangible Personal Property Tax	-22.83%	13.26%	9.69%	-0.05%	-6.08%	-12.57%	0.85%
1.030	Income Tax	0.00%	n/a	n/a	n/a	n/a	n/a	n/a
1.035	Unrestricted State Grants-in-Aid (All 3100's except 3130)	2.66%	0.20%	-0.09%	0.03%	0.03%	0.00%	0.03%
1.040	Restricted State Grants-in-Aid (All 3200's)	-150.55%	-107.43%	0.00%	0.00%	0.00%	0.00%	-21.49%
1.045	Restricted Federal Grants-in-Aid - SFSF (4220)	xxxxxxxxxx	-85.64%	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	
1.050	Property Tax Allocation (3130)	-10.58%	4.71%	8.84%	0.00%	-5.83%	-13.23%	-1.10%
1.060	All Other Revenues except 1931,1933,1940,1950,5100, 5200	-0.43%	0.13%	0.00%	0.00%	0.00%	0.00%	0.03%
1.070	*Total Revenues*	-1.78%	3.63%	4.58%	0.07%	-3.30%	-7.41%	-0.49%
	Other Financing Sources							
2.010	Proceeds from Sale of Notes (1940)	0.00%	n/a	n/a	n/a	n/a	n/a	n/a
2.020	State Emergency Loans and Advancements (Approved 1950)	0.00%	n/a	n/a	n/a	n/a	n/a	n/a
2.040	Operating Transfers-In (5100)	0.00%	n/a	n/a	n/a	n/a	n/a	n/a
2.050	Advances-In (5200)	137.58%	-46.05%	n/a	n/a	n/a	n/a	-46.05%
2.060	All Other Financing Sources (including 1931 and 1933)	31965.85%	n/a	n/a	n/a	n/a	n/a	n/a
2.070	*Total Other Financing Sources*	48.72%	-46.05%	n/a	n/a	n/a	n/a	-46.05%
2.080	*Total Revenues and Other Financing Sources*	-1.60%	2.43%	3.25%	0.07%	-3.30%	-7.41%	-0.99%
	Expenditures							
3.010	Personal Services	-0.65%	-2.97%	1.08%	2.00%	1.75%	1.75%	0.72%
3.020	Employees' Retirement/Insurance Benefits	-1.39%	2.03%	5.54%	6.17%	6.23%	6.66%	5.33%
3.030	Purchased Services	0.49%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
3.040	Supplies and Materials	-4.33%	39.01%	2.50%	2.50%	2.50%	2.50%	9.80%
3.050	Capital Outlay	-8.42%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
3.060	Intergovernmental (7600 and 7700 functions)	0.00%	n/a	n/a	n/a	n/a	n/a	n/a
	Debt Service:							
4.010	Principal-All (History Only)	0.00%	n/a	n/a	n/a	n/a	n/a	n/a
4.020	Principal-Notes	0.00%	n/a	n/a	n/a	n/a	n/a	n/a
4.030	Principal-State Loans	0.00%	n/a	n/a	n/a	n/a	n/a	n/a
4.040	Principal-State Advancements	0.00%	n/a	n/a	n/a	n/a	n/a	n/a
4.050	Principal-HB 264 Loans	0.00%	n/a	100.00%	n/a	n/a	n/a	100.00%
4.055	Principal-Other	0.00%	n/a	0.00%	0.00%	0.00%	0.00%	0.00%
4.060	Interest and Fiscal Charges	0.00%	n/a	n/a	n/a	n/a	n/a	n/a
4.300	Other Objects	19.66%	-12.40%	2.50%	2.50%	2.50%	2.50%	-0.48%
4.500	*Total Expenditures*	-0.39%	-1.10%	3.20%	3.92%	3.86%	4.02%	2.78%
	Other Financing Uses							
5.010	Operating Transfers-Out	10895.46%	-36.69%	0.00%	0.00%	0.00%	0.00%	-7.34%
5.020	Advances-Out	24.85%	n/a	n/a	n/a	n/a	n/a	n/a
5.030	All Other Financing Uses		n/a	0.00%	0.00%	0.00%	0.00%	0.00%
5.040	*Total Other Financing Uses*	39.04%	-82.49%	0.00%	0.00%	0.00%	0.00%	-16.50%
5.050	*Total Expenditures and Other Financing Uses*	-0.14%	-2.48%	3.19%	3.91%	3.85%	4.01%	2.49%
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	-263.06%	-112.19%	14.27%	-647.37%	225.41%	109.21%	-82.14%
7.010	*Cash Balance July 1 - Excluding Proposed Renewal/* Replacement and New Levies	15.06%	-55.09%	14.95%	14.86%	-70.83%	-790.25%	-177.27%
7.020	*Cash Balance June 30*	-0.35%	14.95%	14.86%	-70.83%	-790.25%	239.52%	-118.35%

GARFIELD HEIGHTS CITY SCHOOL DISTRICT

Summary of Significant Assumptions to the Five Year Forecast

Forecasted Fiscal Years 2013 through 2017

This forecast is a financial planning tool for the Garfield Heights City School District (the "District") and presents the expected revenues, expenditures, and operating balance of the District's operating fund, for each of the fiscal years ending June 30, 2013 through June 30, 2017, with historical information presented for the fiscal years ended June 30, 2010, 2011 and 2012. The assumptions disclosed herein are those that management believes are significant to the forecast. However, because circumstances and conditions assumed in projections frequently do not occur as expected, and are based on information existing at the time projections are prepared, there will usually be differences between projected and actual results.

A. Basis of Accounting

This financial forecast is prepared on a cash basis, which is the required basis (non-GAAP) of accounting used for budgetary purposes. Under this system, revenues are recognized when received rather than when earned, and expenditures are recognized when paid rather than when the obligation is incurred. Under Ohio law, the District is also required to encumber legally binding expenditure commitments and to make appropriations for the expenditure and commitment of funds.

B. The Board of Education and Administration

The Board of Education of the District (the "Board") is a political and corporate body charged with the responsibility of managing and controlling the affairs of the District; and is, together with the District, governed by the general laws of the State of Ohio (the "Ohio Revised Code"). The Board is comprised of five members who are locally-elected to overlapping four-year terms. The Board elects its President and Vice President annually, and hires two officials: the Superintendent, who serves as the Chief Executive Officer, and the Treasurer, who serves as the Chief Financial Officer.

C. The District and its Facilities

Geographically, the District encompasses all but a small northeastern portion of the City of Garfield Heights. The District's total area is approximately 9 square miles. The District operates two elementary schools (K-3), one intermediate school (4-5), one middle school (6-8), one high school (9-12).

D. District Employees

The District's instructional/support facilities are staffed by 147 classified employees, 229 certificated full-time and part-time teaching personnel, 13.5 exempt staff, 6 qualified staff and 21 administrators who provide services to 4,000 students.

GARFIELD HEIGHTS CITY SCHOOL DISTRICT

Summary of Significant Assumptions to the Five Year Forecast

Forecasted Fiscal Years 2013 through 2017

General Assumptions

A. Enrollment/Average Daily Membership (ADM)

Enrollment refers to the number of students registered with the District. Average Daily Membership (ADM) is the full time equivalent (FTE) students. ADM is a smaller number due to the loss of student counts for unexcused absences during the first full week of October each year, the State's official ADM count week. Kindergarten students count as 50 percent. ADM estimates are included in the forecast. The forecast assumes no significant change in enrollment. The District continues to closely monitor enrollment numbers to assess the academic needs of our students. Current ADM (October 2011 Count) is 4159.01 and current Formula ADM is 4082.84 for calculating our Bridge Formula State Foundation Funding.

B. Staffing

The District approved budget reduction measures amounting to $1.5 million for fiscal year 2013. This measure consisted of the following staff reductions: 6 certified/credentialed positions (attrition), 33 full and part time classified positions, and 2 administrative positions.

Revenue Assumptions

The District's primary sources of revenue are property taxes on real and public utility tangible personal property located within the District's boundaries, and from the State of Ohio through the State Foundation program. For fiscal year 2013, the remaining unspent Education Jobs grant money is included in the forecast.

A. Property Tax Revenues

1. **General Property Tax (Real Estate) (1.010)** consists of Residential/Agricultural (Class I) and Other-Commercial/Industrial (Class II). Property values are established each year by the County Auditor based on new construction and current appraised real estate values. Revaluation of real estate property takes place every three years. The next revaluation takes place in calendar year 2012.

The following are real estate property valuation assumptions on which our general property tax forecasted revenues are based:

- In tax year 2012, which is collectable in 2013, a full reappraisal/revaluation update takes place. Based on the County's current preliminary revaluation estimates, Residential valuations will **decrease by 21.85%**. ***The County had not completed the Other/Commercial revaluation; therefore we are currently projecting a 0% change.***

GARFIELD HEIGHTS CITY SCHOOL DISTRICT

Summary of Significant Assumptions to the Five Year Forecast

Forecasted Fiscal Years 2013 through 2017

- For tax year 2013, collectable in 2014, Residential/Agricultural valuations and Other/Commercial valuations reflect no projected growth. Again, residential new construction is projected to grow 0% and commercial construction is projected to grow 0%. Based on current economic development plans, new construction is projected to grow 1%.

- For tax year 2014, collectable in 2015, Residential/Agricultural valuations and Other/Commercial valuations reflect no projected growth. Again, residential new construction is projected to grow 0% and commercial construction is projected to grow 0%. Based on current economic development plans, new construction is projected to grow 1%.

- In tax year 2015, which is collectable in 2016, another revaluation update takes place. Valuation changes of 8% and 3% are projected for Residential and Other/Commercial. The outlook is that economic trends may be on the upswing and return property values to a more traditional trending of values.

- For tax year 2016, collectable in 2017, Residential/Agricultural valuations and Other/Commercial valuations reflect no projected growth. Again, residential new construction is projected to grow 0% and commercial construction is projected to grow 0%. Based on current economic development plans, new construction is projected to grow 1%.

The chart below shows the general property tax valuation projected changes:

(In Thousands)

	CY12	CY13	CY14	CY15	CY16
Projected Valuation	**$356,051**	**$357,018**	**$357,995**	**$381,977**	**$383,679**
$ Change	-70,036	967	977	23,982	1,702
% Change	-16.4%	0.27	0.27	6.70	0.45

- First half calendar year tax collections are received in the second half of the fiscal year. Second half calendar year tax collections are received in the first half of the following fiscal year.

- Real property (residential/agricultural and commercial/industrial) is assessed at 35% of the appraised market value in accordance with State law.

- Revenue projections are vulnerable to fluctuations downward due to actual tax collections being less than expected as well as the loss of tax revenue due to unfavorable findings by the County Board of Revisions. The District retains legal counsel as its representative in tax complaints to protect and preserve the District's tax base. The County Auditor would calculate (as shown on Schedule A), a delinquency factor **(currently 87.52%)** for tax revenue collections.

GARFIELD HEIGHTS CITY SCHOOL DISTRICT

Summary of Significant Assumptions to the Five Year Forecast

Forecasted Fiscal Years 2013 through 2017

- The severity of the revenue reduction in fiscal year 2017, is the result of the way property tax renewals are reported in this forecast. Although, the District can assume the passage of renewal tax levies, the tax collections must be reduced in the revenue portion of this forecast and the combined tax collections are shown on line 11.20. Please refer to the Note 5 of the forecast.

- The District has three five-year emergency levies: two of which generate $2.5 million and $2.85 million annually. The $2.5 million levy and the $2.85 million levy expire at the end of Calendar Years 2015 and 2016, respectfully. The third emergency levy was passed in March 2012 for $4.1 million. Collections for this levy begin in January 2013. The district will only see a half year of collections ($2,132,000) on this levy in fiscal year 2013.

- In fiscal year 2012, the district received $428,606 as their share from the CityView Tax Increment Finance (TIF) agreement. However, CityView is in receivership and current indicators point to potential reductions in this TIF payment going forward into the projected years 2013 through 2017. This revenue is reflected in the All Other Revenues (1.060) line.

- Cuyahoga County in the past few years issued delinquent tax anticipation notes (DTAN) to distribute tax advances for delinquent collections, resulting in increased fees when the DTAN payment was made. The County will no longer continue to issue DTANs.

Based on the above factors, the chart below shows projected General Property Tax revenue (Real Estate) by fiscal year:

	FY13*	FY14	FY15	FY16	FY17
Tax Revenue	**$12,948,163**	**$14,464,019**	**$14,484,563**	**$13,485,325**	**$11,312,634**
$ Change	1,554,113	1,515,856	20,544	-978,694	-2,172,691
% Change	13.64	11.71	.14	-6.90	-16.11

*$4.1million Emergency Tax Levy starts being collected.

2. **Tangible Personal Property Tax (1.020)** consists of Public Utility (PU) Tangible and Tangible Personal Property (TPP).

- HB66, adopted in 2005, called for the elimination of the Tangible Personal Property (TPP) tax.

- For the Public Utility (PU) tangible tax, revenue amounts are estimated for each of the forecasted fiscal years using the Calendar Year 2011 actual valuation for PU property. At the time of this forecast, we do not know Calendar Year 2012 actual valuation for PU tangible property.

- The Public Utility Tangible valuation increased for Calendar Year 2011 to $8,896,900 (up $318,180 from calendar year 2010). Ohio legislative action also phases out telecommunication public utility valuations beginning in 2010 and this reduction in valuation is reflected in forecasted fiscal years 2013 through 2017.

- Projected revenues are based on 2011 valuations and are projected to be flat lined.

Based on the above factors, the chart below shows projected Tangible Personal Property Tax revenue by fiscal year:

	FY13*	FY14	FY15	FY16	FY17
Tax Revenue	**$505,844**	**$554,875**	**$554,597**	**$520,857**	**$455,385**
$ Change	59,232	49,031	-278	-33,740	-65,472
% Change	13.26	9.69	-.05	-.6.08	-12.57

*$4.1million Emergency Tax Levy starts being collected.

B. Unrestricted Grants-In-Aid/State Basic Aid (1.035)

- The Unrestricted Grants in Aid reflects the simulated amounts as calculated by the Ohio Department of Education (ODE).

- The State funding for schools is based on several factors all of which are subject to deliberations and approval of the Ohio General Assembly. School funding basic aid was set as part of the State's biennial budget for fiscal years 2012 and 2013. Due to the economic conditions within the State and the anticipated short fall in tax revenues in the next bi-annual budget, the level at which the State will fund schools is uncertain.

- The current Governor has established a temporary funding formula called the "Bridge" formula for individual school districts under House Bill 153. It is called the Bridge formula because it will bridge the gap until a final school funding formula is established. The current bridge formula uses property tax wealth and ADM as its main components.

- State Foundation revenue amount shown for fiscal year 2013 is the Bridge formula amount as calculated by the Ohio Department of Education (See Exhibit 1). Fiscal years 2014 through 2017 are projected using the same Bridge formula and 4,000 as the ADM.

(In Thousands)

	FY12*	FY13	FY14	FY15	FY16	FY17
Basic Aid	$17,078	$17,111	$17,096	$17,101	$17,106	$17,106
Net $ Impact	924	33	-15	5	5	0

C. Restricted Grants-In-Aid (1.040)

- The District receives career/technical aid, catastrophic aid reimbursement and special education cost reimbursements.

- The district has seen significant reductions in catastrophic aid and special education reimbursements. These amounts are projected to remain flat over forecasted fiscal years 2013 through 2017.

- Also reflected here is a one-time Educational Jobs restricted grant in the amount of $883,000. This grant must be liquidated by fiscal year end 2012 and will not be available for future forecasted fiscal years.

	FY12	FY13	FY14	FY15	FY16	FY17
Restricted State	$39,350	$42,500	$42,500	$42,500	$42,500	$42,500
Education Jobs	686,100	196,800	0	0	0	0
Total	$725,450	$239,300	$42,500	$42,500	$42,500	$42,500
Net $ Impact	-807,299	-486,150	-196,800	0	0	0

D. Property Tax Allocation (1.050)

- The projections for the Homestead and Rollback payments are based upon the historical relationship to actual tax collections (12.5% on residential). As tax collections decrease, so do the rollback reimbursements.

- The projections do not take into account the affect of the change in State law that increased Homestead eligible taxpayers.

- HB 66 eliminated the roll back exemption for commercial/other. This elimination is reflected in the General Property Tax (Real Estate) forecasted revenue amounts. The district will receive these dollars directly from real estate taxes for commercial/other.

- The State of Ohio was holding harmless school district's who lost revenues from Tangible Personal Property (TPP) tax elimination (House Bill 66). The forecasted amounts were determined using a formula and spreadsheet developed by the Ohio Department of Education and the Ohio Department of Taxation. However, under the current state budget bill (House Bill 153), the district had a significant amount ($667,000) of their TPP reimbursement phased out in Fiscal Year 2012 and an additional amount ($122,000) will be phased out in Fiscal Year 2013. This phase out is shown in the forecasted fiscal year 2013.

The chart below shows the net revenue dollar impact on the school district revenues:

	FY13	FY14	FY15	FY16	FY17
TPP Reimbursement	**$269,000**	**$269,000**	**$269,000**	**$269,000**	**$269,000**
Net $ Change	**($122,000)**				

E. All Other Revenues (1.060)

Local revenues include the following: Tuition, Interest Income, and Pay-to-Participate Fees, Building Rentals, and Miscellaneous /Other.

- *Tuition* revenues are derived from the pre-school handicapped program, intervention, and summer school programs. The tuition program for the pre-school handicapped continues to include students, who pay tuition. Assuming no additional tuition increases, projected years are assumed to remain flat-lined.

- *Interest income* revenue for fiscal year 2013 is projected to remain consistent with 2012. Assuming the same economic market and available cash in the projected fiscal years, interest income is projected to continue to remain constant using the current amount earned this fiscal year.

- *Pay-to-Participate* (PTP) revenue has decreased significantly in fiscal year 2012 due to an increase in the fee amount but a significant decrease in the participation levels and the elimination of several sports (hockey and cross-country). The PTP amount will be reduced for fiscal year 2013 as the fee was lowered in hopes of increasing participation and is not projected to significantly change for fiscal years 2014 through 2017. It is assumed that the number of participants and the fee amount will not change during the projected years.

- *Building rental* revenue is projected to remain constant based on fiscal year 2012 amounts. At this time, it is assumed that the number of rentals and rental rates are not projected to significantly change for fiscal years 2013 through 2017.

- *Miscellaneous/Other Revenues* include fees/fines, reimbursements, and donations, not covered under the other revenue line items. This amount is not projected to significantly change for fiscal years 2013 through 2017 based on fiscal year 2012 amounts.

- ***Casino Revenues*** Schools are designated to receive 34% of tax receipts generated from the casinos. However, there is still much unknown about the formula and the amount of tax to be generated. That being said, initial projections show approximately $21 of revenue per pupil in FY13. Assuming a $21 dollar per pupil distribution, that means an additional $84,000 in revenue for the district. While this amount of revenue is welcome, it certainly doesn't change District planning or decision making in a significant way. When all casinos are eventually opened, they are expected to supply more revenue per pupil, but the forecast employs a conservative approach to estimates and continues the $21 per pupil revenue assumption in FY14 and beyond. This is due to the fact a new biennial budget will be adopted in FY14 and Casino revenue growth could quite possibly be offset by reductions in other state funding sources.

	FY12*	FY13	FY14	FY15	FY16	FY16
Tuition	$ 389,546	$ 350,000	$ 350,000	$ 350,000	$ 350,000	$ 350,000
Interest	23,331	25,000	25,000	25,000	25,000	25,000
PTP	106,750	100,000	100,000	100,000	100,000	100,000
Rentals	23,140	25,000	25,000	25,000	25,000	25,000
Misc/Other	46,348	35,000	35,000	35,000	35,000	35,000
TIF+	428,606	400,000	400,000	400,000	400,000	400,000
Casino	**0**	**84,000**	**84,000**	**84,000**	**84,000**	**84,000**
Total	**$1,017,721**	**$1,019,000**	**$1,019,000**	**$1,019,000**	**$1,019,000**	**$1,019,000**

*Actual

+See note A1

F. Transfers/Advances In (2.040, 2.050)

- No significant transfers-in will be received in future forecasted years.

- Advances-in would be offset in the previous year with an initial advance-out; since we are not projecting any advances-out, no advances-in will be projected.

G. All Other Financing Sources (2.070)

- It is assumed that the amount of revenue from other financing sources will be insignificant and remain constant over the years projected.

H. Total Revenues and Other Financing Sources (2.080)

The bottom line changes in total revenues assuming passage of the renewal levies and not including 'Other Financing Sources' show an average annual revenue increase of .93% over the forecasted five years as compared to an actual average revenue decrease of 1.78% over the previous 3 years.

Expenditure Assumptions

The expenditure projections are based upon several key assumptions. Wage freezes, including a step freeze, have been accepted by all employees in the prior years and these steps will not be made up in future negotiated agreements. Additional assumptions are that the change in student enrollment, as predicted by enrollment projections, (General Assumptions "A") will **not require significant additional staffing** over the life of the projections other than what is included in the current projections. The district will follow through on the **staffing reductions outlined in "B" of the General Assumptions.** It is also assumed that the **general economy will remain stable, and that inflation will be no greater than two to three percent in each of the projected years**. Lastly, that Ohio Legislature and the United States Congress will **not impose any new unfunded mandates or make any changes to current legislation that we are currently aware of that significantly impacts the General Fund**.

A. Personal Services (3.010)

- Staffing changes for fiscal year 2013 include the following:

    1. Elimination of 6 certified teaching position
    2. Elimination of 2 maintenance positions
    3. Elimination of 30 Educational Aide positions
    4. Elimination of 3 Administrative positions
    5. Hiring of 2 Security positions
    6. Hiring of 1 Maintenance Supervisor

- The contract with Garfield Heights Teachers Association (GHTA), which represents the certified teaching staff, expired June 30, 2012. Until an agreement is reached, the forecasted years 2013 through 2017 reflect only salary schedule step movements for those eligible employees. The forecast does contain any changes to either the current salary schedule or the base salary amount.

- The District agreed to a two year agreement with the classified employees' union (OAPSE). For forecasted years 2013 and 2014, the agreement includes step movement for those bargaining unit members who are eligible and a 2% increase in each of these two years for those members whose steps are frozen. In forecasted years 2015 through 2017, amounts shown reflect only salary schedule step movements for those eligible. The forecast does contain any changes to either the current salary schedule or the base salary amount.

GARFIELD HEIGHTS CITY SCHOOL DISTRICT

Summary of Significant Assumptions to the Five Year Forecast

Forecasted Fiscal Years 2013 through 2017

- Wage amounts projected for administration is based on contract agreements. Administrator salary schedules have been established based on the level of responsibility with the exception of the Superintendent and Treasurer. For forecasted years 2013 through 2017, amounts shown reflect step movements for those eligible. The district has approved the hiring of a Director of Pupil Services for fiscal year 2013. This was a purchased service contracted position in fiscal year 2012. Longevity amounts are based on the current administrator agreements and are not projected to change.

- Wage amounts projected for the exempt staff is based on established salary schedules, experience level, and level of responsibility. In forecasted years 2013 through 2017, amounts shown reflect salary schedule step movements for those affected employees. In following with the OAPSE agreement, a 2% increase is shown in 2013 for those members whose steps are frozen. Longevity amounts are based on the current OAPSE negotiated agreement. Longevity amounts are not projected to change.

- Wage amounts projected for the qualified staff are based on established salary schedules, experience level, and level of responsibility. In forecasted years 2013 through 2017, amounts shown reflect salary schedule step movements for those affected employees. In following with the OAPSE agreement, a 2% increase is shown in 2013 for those members whose steps are frozen. Longevity amounts are based on the current OAPSE negotiated agreement. Longevity amounts are not projected to change.

- Step movements for administrators, exempt and qualified staff are not automatic and movement is at the discretion of the Board of Education.

- Supplemental contracted amounts are projected to follow the Garfield Heights Teachers' Association negotiated agreement base salary amount and no increase in that base salary is projected in the forecasted fiscal years.

- Substitutes are assumed to remain constant. The district has contracted with a private company to handle and assign certified/teacher substitutes with minimal additional costs for administrative fees. A majority of this cost has been moved and projected in the purchased service area. Substitute rates are not projected to change significantly over the forecast period.

- Numerous employees retired at the end of fiscal year 2012. Severance payments and early retirement incentive program costs, for those employees having retired, increased significantly in fiscal year 2013 ($386,000). The costs are projected to decrease ($250,000 annually) in the forecasted years based on past history.

- Salary schedule educational level movement, overtime, extra time, incentives and extended times wage amounts are projected to be $275,000 in fiscal year 2013 and to increase by 2%, with exception of the salary schedule movement ($100,000) in forecasted years 2014 through 2017. This amount is based on past history.

- The five-year forecast is required to have reasonable assumptions addressing salary increase amounts beyond the current negotiated agreements. In accordance with ORC 5705.412, the District could not certify salary increases in future negotiated agreements unless the financial position allows for such increases. Therefore, no base salary increases are in this forecast.

Over the past three years, Personal Services had averaged a .65% decrease. However, Personal Services expenditures increased 4.34% in 2012. Based on the above assumptions, Personal Services is projected to decrease 3% in fiscal year 2013 and then increase 2% annually in each of the forecasted fiscal years 2014 through 2017.

B. Employees' Retirement/Insurance Benefits (3.020)

Fringe benefits consist of retirement, Medicare, health care, workers compensation, and unemployment.

1. Retirement

- The district is required to contribute 14% of an employee's salary to either the State Teachers' Retirement System (STRS) or the School Employees' Retirement System (SERS). As personal service (salaries, wages) costs increase/decrease from staff reductions, step movements, other compensation, retirement costs are projected to follow.

- It is assumed that there will be a continuation of the current fourteen percent employer contributions for both STRS and SERS during each year of the projected years.

- The SERS surcharge on non-teaching employees is calculated on part-time employees. The rate after calculations amounts to 2% of all non-certificated employees' wages or the statewide limit of 1.5% of the statewide payroll, whichever is lower. This current surcharge amount ($135,000) is not projected to change significantly in the forecasted fiscal years.

2. Medicare

Any employee hired after 1986 is required to have contributions of 2.9% of their salary paid into Medicare. The district under federal law is responsible for 1.45%, and the employee is responsible for 1.45%. As personal service (salaries, wages) costs increase/decrease from staff reductions, step movements, other compensation, Medicare costs are projected to follow.

3. Health Care

- The medical, prescription, dental and vision health care coverage is currently with Medical Mutual of Ohio (MMOH). The district joined the Suburban Health Consortium (SHC) in January 2006. This was done to help stabilize rates over future years.

- All employees currently contribute 7% of the premium cost per month towards their health insurance coverage. This contribution amount is not projected to increase over the forecasted fiscal years unless negotiated agreement provisions contain a change to this amount.

- Currently only one group of employees has working spouse language (WSL): OAPSE. The savings from working spouse language is 15% on the premium cost for medical and prescription drug coverage on the family plan. The forecasted fiscal years do not show WSL savings for any other employee groups.

- Health insurance rate actual increases for fiscal year 2012 and fiscal year 2013 are reflected in the following table along with projected increases for fiscal years 2014 through 2017:

Coverage	FY12	FY13	FY14	FY15	FY16	FY17
Medical	15.7%	5.6%	12.0%	12.0%	12.0%	12.0%
Prescrptn/Drug	(.9%)	19.8%	5.0%	5.0%	5.0%	5.0%
Dental	5.4%	1.3%	3.0%	3.0%	3.0%	3.0%
Vision	(1.2%)	7.8%	1.0%	1.0%	1.0%	1.0%
Overall % Inc.	**11.9%**	**7.5%**	**10.1%**	**10.2%**	**10.3%**	**10.4%**

4. Workers' Compensation

The workers' compensation rate and amount decreased in fiscal year 2012 from 1.4% of covered payroll to 1.11%. For fiscal years 2013 through 2017, the workers' compensation rate is projected to remain constant at 1.1% and for costs to follow projected personal service amounts where applicable.

5. Unemployment

This amount is projected to decrease over the projected years assuming there are not any further significant reductions in force.

Over the past three years, Employee Retirement/Insurance Benefits had averaged a 1.39% decrease. However, Employee Retirement/Insurance Benefits expenditures increased 1.78% in 2012. Base on the above assumptions, Employee Retirement/Insurance Benefits is projected to increase 2% in fiscal year 2013 and then increase 6% annually in each of the forecasted fiscal years 2014 through 2017.

C. Purchased Services (3.030)

This category includes contractual services, special education services, legal services, rentals and leases, travel and mileage, utilities, and building/equipment repairs. Unless otherwise noted below, all purchased service areas are running at or below current estimates and no future projection changes were made.

1. **Contractual services** include data processing services, professional certified staff substitute services, maintenance agreements and management consultants. Costs for these services continue to increase significantly; therefore, we are projecting annual increases of fifteen percent (15%) in projected years 2012 to 2016.

2. **Special Education Services** include Occupational/Physical Therapy, Health, Special Education Excess Costs, Tuition paid to other school districts, Community School tuition, and Post Secondary Enrollment. These costs increased 26% in fiscal year 2012. However, we are projecting these costs to only increase 15% in fiscal year 2013. Increases of ten percent (10%) are projected annually for fiscal years 2014 to 2017.

3. **Legal services** include professional services provided by several law firms for the following general legal services: labor relations, special education student issues, and Board of Revision/Board of Tax Appeals issues. This cost increased significantly in fiscal year 2012 due to an increase in legal issues needing resolve. However, a significant decrease (50%) is projected for fiscal year 2013. Inflationary annual increase of three percent (3%) for fiscal years 2014 to 2017 is projected.

4. **Rentals and Leases** includes the cost of rentals throughout the district. The only equipment that the district leases is photocopiers and postage machines. The district reworked its copier contract to stabilize and control copying costs and has 1.5 years remaining on the lease agreement. This amount is projected to remain relatively flat over the future forecasted years based on these established lease contracts.

5. **Travel and Mileage** category includes all payments for professional travel and employee mileage reimbursement. This area is being held to prior year budget amounts with a zero percent increase in fiscal year 2013. Based on current inflationary rates, a (2.5%) increase in the forecasted years is projected.

6. **Utilities** include expenses for telephone, electric, natural gas, and water and sewer. The District participates in the Ohio Schools Council's (OSC) prepaid electric energy program and natural gas purchase program to help stabilize rates.

   - Electric rates decreased 7% in fiscal year 2012. A 3% increase is projected for fiscal year 2013 and a *15%* annual increase is projected for fiscal years 2013 through 2016.

- Natural gas decreased 71% in fiscal year 2012. A 10% increase is projected for fiscal year 2013 and a 15% annual increase is projected for fiscal years 2014 through 2017.

- Water and Sewer decreased 10% in fiscal year 2012. A 3% increase is projected for fiscal year 2013 and a *15%* annual increase is projected for fiscal years 2013 through 2016.

- Telephone remained flat in fiscal year 2012. Costs are projected to be flat lined for fiscal years 2013 through 2017.

7. **Building/Equipment Repairs** category includes all outside non-capital repairs of technology/building equipment and grounds. It also contains the cost of maintenance rental equipment and vehicle/equipment repairs. Based on current inflationary rates, a 3% increase in the forecasted years is projected.

Over the past three years, Purchased Services had averaged a .49% increase. However, Purchased Services expenditures increased 11.38% in 2012. Based on the above assumptions, Purchased Services is projected to increase 8% annually in each of the forecasted fiscal years 2013 through 2017.

D. Supplies and Materials (3.040)

This category includes educational supplies, library books/supplies, office supplies/postage, maintenance supplies, transportation supplies, and textbooks. With the exception of textbooks/workbooks and fuel/gas, the projected amounts for fiscal year 2013 remain at the 2012 level.

1. **Educational supplies** include workbooks, guidance, handicap support materials, testing materials, technology, etc. Educational supplies will see an increase in fiscal year 2013 due the elimination of workbook fees and then assume an inflationary 2.5% increase in the following projected years 2014 to 2017.

2. **Library Books/Supplies** includes all library books and subscriptions and audio-visual materials. Library books/supplies assume an inflationary 2.5% increase in the following projected years 2014 to 2017.

3. **Office Supplies/Postage** is all the consumable supplies used throughout the district for administrative purposes. Educational supplies assume an inflationary 2.5% increase in the following projected years 2014 to 2017.

4. **Maintenance Supplies** includes all cleaning and building maintenance supplies. The budget for these services is being reduced for fiscal year 2011 in conjunction with the budget reduction measure. Maintenance supplies assume an inflationary 2.5% increase in the following projected years 2014 to 2017.

5. **Transportation Supplies** are consumable supplies for fuel, tires, and parts used for the maintenance of the bus fleet and vehicle fleet.

   - Transportation supplies assume an inflationary 2.5% increase in projected years 2014 to 2017.

   - Fuel costs decreased 7.4% in fiscal year 2012. For fiscal year 2013, a 15% increase in fuel costs is projected for fiscal year 2013 due to bussing returning to 1.5 miles. In forecasted fiscal years, fuel costs assume a three percent (3%) inflation rate assuming the same level of pupil transportation is being provided.

6. **Instructional Resources** The district has made a commitment to get on a schedule for the annual purchasing of new classroom resources (textbooks). Therefore, this amount has been increased significantly for fiscal year 2013. Instructional resources assume an inflationary three percent (3%) increase in projected years 2014 to 2017.

Over the past three years, Supplies and Materials had averaged a 4.33% decrease. However, Supplies and Materials expenditures increased 3.24% in 2012. Based on the above assumptions, Supplies and Materials is projected to increase 39% for fiscal year 2013 and 2.5% annually in each of the forecasted fiscal years 2014 through 2017.

E. Capital Outlay (3.050)

Capital outlay includes the purchase of new instructional equipment, special education equipment, building improvements, replacement vehicles/busses and replacement educational equipment including technology items.

- The projected amounts for fiscal year 2013 remain at the 2012 level.

- A 2.5% inflationary annual increase in forecasted years 2013 through 2016 is being projected.

- No bus purchases are included in the projected fiscal years 2014 to 2017.

Over the past three years, Capital Outlay had averaged an 8.42% decrease. Furthermore, Capital Outlay expenditures decreased 44.45% in 2012. Based on the above assumptions, Capital Outlay is projected to increase an inflationary 2.5% annually in each of the forecasted fiscal years 2013 through 2017.

F. Debt Service (4.055)

The district has two debt service obligations from the General Fund. These are the repayment of two Qualified Zone Academy Bonds. Repayment amortization schedules have been established for each of the two QZAB debt issuances the amounts are reflected in the forecast under Principal-Other. The HVAC lease purchase repayment ended in fiscal year 2012.

G. Other Objects (4.300)

This category includes the following:

1. **Insurance** premiums for fleet and general liability insurance increased in fiscal year 2013 (actual costs are known). This cost is projected to increase by an inflationary 2.5% annually in projected years 2013 to 2016.

2. **Auditor and Treasurer Fees** are based on the amount of property taxes collected as set by Ohio Law. Future year's projections are based on these collections. Actual costs incurred increased to $564,470 in fiscal year 2012, as compared to $421,844 in fiscal year 2011. A new fee is assessed on delinquent tax collections to fund the County Land Bank. No increase is projected for fiscal year 2013, as our property tax collection amount has decreased. An inflationary increase of 2.5% annually is projected for years 2014 to 2017.

3. **Other/Miscellaneous expenses** include bank service charges, audit fees, organization dues and membership fees, County Educational Service Center deductions, and election expenses.

    - Due to a change in the method the Board of Elections is billing their costs incurred, election expenses increased significantly ($104,000) in fiscal year 2012. This cost will decrease significantly in fiscal year 2013, and then remain constant in forecasted years 2014 through 2017, as no further elections are anticipated.

    - State audit fees are projected to remain constant for fiscal year 2013, then assume a 2.5% inflationary increase in forecasted fiscal years 2014 to 2017.

    - Organizational dues and league membership fees are projected to remain at 2012 levels for 2013, and then assume a 2.5% inflationary increase in forecasted fiscal years 2014 to 2017.

    - County Educational Service Center deductions are projected to remain at fiscal year 2012 levels for fiscal year 2013, and then assume a 2.5% inflationary increase in forecasted fiscal years 2014 to 2017.

- Bank service fees increased in fiscal year 2012. These fees are projected to not increase by a significant amount for fiscal year 2013, but then assume a 2.5% inflationary increase in forecasted fiscal years 2014 to 2017.

Over the past three years, Other Objects had averaged a 19.66% increase. Furthermore, Other Object expenditures increased 36.77% in 2012. Based on the above assumptions, Other Object expenditures is projected to decrease 2% in fiscal year 2013, and then assume an inflationary 2.5% annual increase in each of the forecasted fiscal years 2014 through 2017.

H. Other Financing Uses (5.010, 5.020, 5.030)

This category shows the transfers/advances of monies to other funds that cannot generate enough revenues to offset their expenditures.

- **Transfers Out** is projected to remain constant over the forecasted period and no other funds will need a transfer.

- **Advances Out** has been required in previous years. We are not projecting an Advance Out as these amounts vary greatly from year-to-year and are offset through an Advance In, thus creating no financial impact on the overall forecast.

- **All Other Uses** has been minimal and inconsistent; therefore, we are projecting a minimal amount in forecasted fiscal years 2013 through 2017.

I. Total Expenditures and Other Financing Uses (5.050)

The bottom-line changes in total expenditures including ‘Other Financing Uses’ show an average annual expenditure increase of 2.34% over the forecasted five years as compared to an actual average annual expenditure decrease of .14% over the previous 3 years.

Future Outlook

- Due to the passage of an additional five-year emergency operating levy in March of 2012, Total Revenues and Other Financing Sources are projected to **increase** annually by an average of .99% over the forecasted years 2013 through 2017, while Total Expenditures and Other Financing Uses are projected to **increase** annually by an average of 2.34%. Based on these current projections, it is anticipated that this levy will carry the district for only the next three years.

- Governor Kasich and the Ohio state legislature has yet to unveil their school funding formula for the 2014-2015 biennium state budget. Therefore, the future of state funding for public schools is still unknown. With over 55% of the school district's revenue coming from the state, the district will need to closely monitor the Governor's proposed budget.

- The assumptions disclosed in these notes are those that the Treasurer believes are significant to the forecast. There will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected and those differences may be material.

- Actions by the Ohio Department of Education, US Department of Education, State Legislature, Ohio Board of Taxation, the Ohio Supreme Court, the Cuyahoga County Board of Revision, and other governmental bodies will impact these projections and the results of their actions could seriously threaten the accuracy of the forecast and assumptions.

BRIDGE Worksheet Report

Ohio Department of Education
Bridge Formula for State Foundation Funding
(FY 2013 OCTOBER NO 1 PAYMENT, [FY2012])

10/09/2012

IRN: 044040 District: GARFIELD HEIGHTS CITY S.D. County: CUYAHOGA

	FY11 Calculation Factors		
A	Recalculated Formula ADM - October 2010 count ([A1 - A4] - [0.8 * A2] + [0.2 * A3])		4,046.45
A1	Total ADM		4,125.13
A2	Jointure JVSD ADM Including Special Education		98.60
A3	Contract Vocational ADM		1.00
A4	Preschool Component of ADM		0.00
B	Charge-Off Property Valuation		442,961,200.00
C	District Charge-Off Valuation Per Pupil (B / A)		109,469.09
D	Statewide Median Charge-Off Valuation Per Pupil		124,380.25
E	District Charge-off Valuation Index (C / D)		0.88011633679800
F	PASS Form Amount - State Resources for the Foundation Funding Program (includes SFSF Payment [H])		17,249,928.40
G	PASS Form Amount Per Pupil (F / A)		4,262.98
H	State Fiscal Stabilization Fund Payment		1,362,114.97
	FY13 Calculation Factors		
I	Current Year Formula ADM (I1 - [0.8 * I2] + [0.2 * I3])		4,082.85
I1	Total ADM		4,159.01
I2	Jointure JVSD ADM Including Special Education		95.20
I3	Contract Vocational ADM		0.00
J	Statewide Per Pupil Adjustment Amount		130.00
K	District Adjustment Amount (E * I * J * -1)		-467,139.79
	FY13 Bridge Formula Calculations		
L	Preliminary State Resources for the Foundation Funding for FY13 ([G * I] + K) if >0	16,937,968.10	
M	Supplemental Guarantee Payment ([F - H - L] if > 0)		0.00
N	Subsidy Payment for High Performing Districts ([$17 * I] if rated Excellent or Excellent with Distinction)		0.00
O	State Resources for the Bridge State Foundation Funding (L + M + N)		16,937,968.10
	Additional Aid Items		
P	Preschool Special Education Units		138,076.15
Q	Special Education Transportation		97,017.72
	Transfers and Adjustments:		
R	Educational Service Center Deduction		-27,402.28
S	Open Enrollment Adjustments		-306,249.13
T	Transfer for students educated by Community Schools		-1,732,090.81
U	Transfer for students educated by STEM Schools		0.00
V	Transfer for students receiving Educational Choice Scholarships		0.00
W	Other Adjustments		-44,051.96
X	**Total Net State Support (O + P + Q + R + S + T + U + V + W)**		**15,063,267.79**
	Disclosure Items		
Y	Special Education Allocation of State Resources (equal to FY11 allocation)		1,677,076.35
Z	Career-Technical Education Allocation of State Resources (equal to FY11 allocation)		34,714.80
AA	Gifted Education Allocation of State Resources (AA1 + AA2)		50,269.80
AA1	Unit Funding (Equal to FY09 allocation)	39,318.75	
AA2	Identification Funding (Equal to FY09 allocation)	10,951.05	
AA3	See BRIDGE FY09 Contracted Staff Report for requirement related to FY09 ESC services		

Detailed payment calculations are available on the Bridge Formula Line-by-Line Detail Worksheet
Local tax revenues provide for the portion not funded with state support.