



Garfield Heights City School District

Five Year Forecast Financial Report

October, 2016

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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	768,365	804,649	891,398	479,589	(490,967)
+ Revenue	42,669,195	41,602,132	40,761,398	42,003,906	43,190,107
+ Proposed Renew/Replacement Levies	-	1,981,076	3,962,093	3,962,033	3,962,033
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(42,632,910)	(43,496,459)	(45,135,300)	(46,936,495)	(48,735,051)
= Revenue Surplus or Deficit	36,284	86,749	(411,809)	(970,557)	(1,582,911)
Ending Balance	804,649	891,398	479,589	(490,967)	(2,073,878)
Revenue Surplus or Deficit w/o Levies	36,284	(1,894,327)	(4,373,901)	(4,932,589)	(5,544,944)
Ending Balance w/o Levies	804,649	(1,089,678)	(5,463,579)	(10,396,169)	(15,941,112)

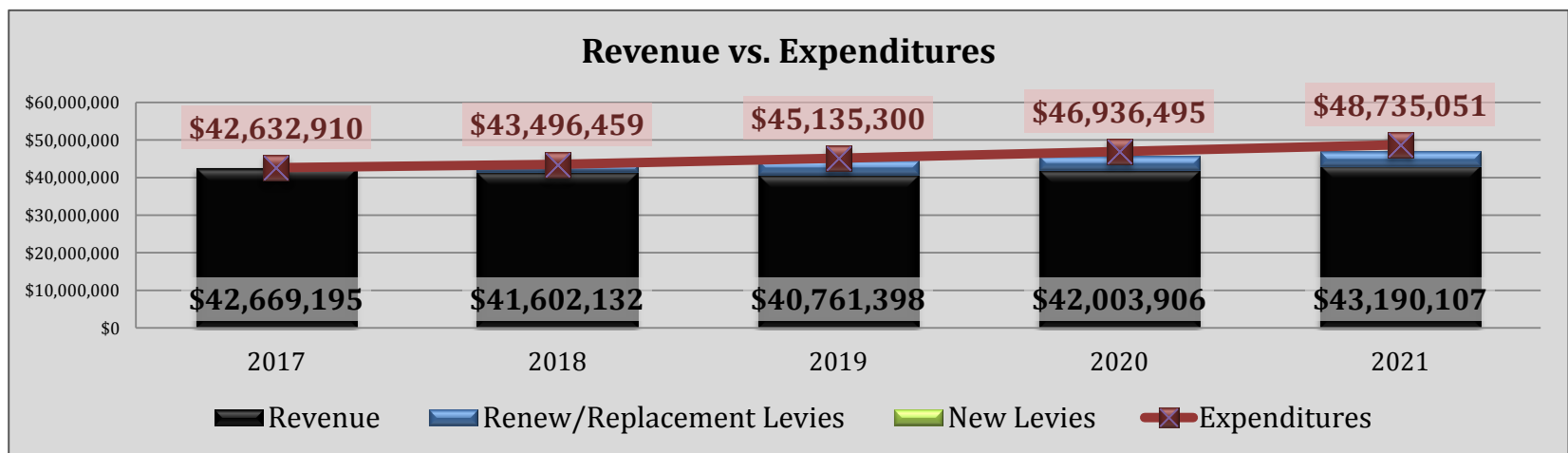
Summary:

For projected fiscal years 2017 and 2018, the forecast revenues including a renewal levy are showing a surplus. However, that trend reverses itself in projected fiscal years 2019 through 2021 thus leading to a significant reduction in our carryover balance at the end of 2019.

ADM estimates are included in the forecast and assumes no significant change in enrollment. The District continues to closely monitor enrollment numbers to assess the academic needs of our students and the impact on state funding to the district.

The Notes & Assumptions explained in more detail by revenue and expenditure areas in this report are key variables to the projections and the decisions necessary to balance the budget. The assumptions 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.

The State Legislature has approved a biennium budget (HB64) which covers state school funding through June 2017. The future of state funding for public schools is still unknown and the next biennial state budget will have a significant impact on the projected amounts beyond fiscal year 2017.



Revenue Overview

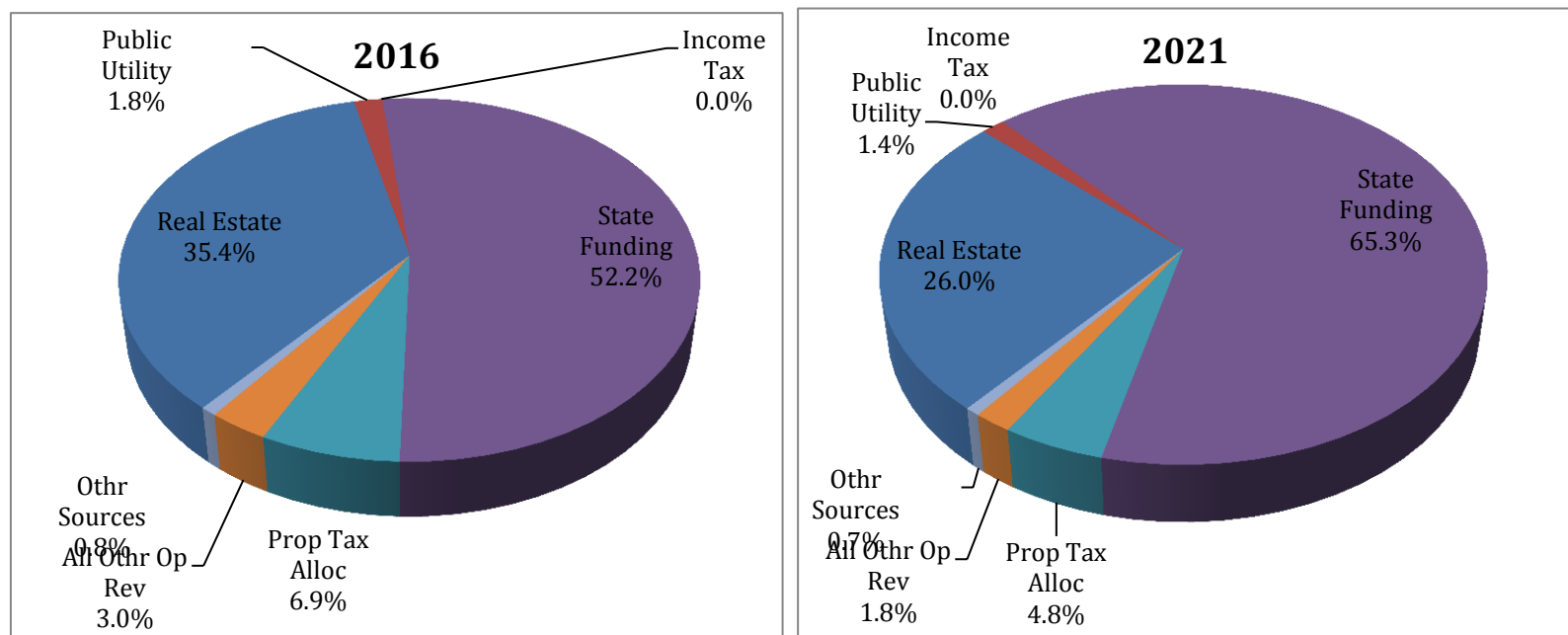
	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	
Revenue:							
1.010-Real Estate	4.06%	-0.28%	-0.51%	0.21%	0.35%	0.27%	0.01%
1.020-Public Utility	6.17%	7.02%	1.14%	-0.21%	-0.20%	0.26%	1.60%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	4.48%	9.47%	4.97%	4.85%	4.84%	4.84%	5.79%
1.040-Restricted Aid	247.49%	11.60%	4.52%	4.58%	4.60%	4.62%	5.98%
1.045-Restr Federal SFSF	-53.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-0.46%	-1.22%	0.05%	-0.77%	-1.60%	-1.73%	-1.05%
1.060-All Other Operating	2.37%	-22.31%	0.00%	-5.34%	0.00%	-11.85%	-7.90%
1.070-Total Revenue	3.32%	4.33%	2.58%	2.63%	2.80%	2.60%	2.99%
2.070-Total Other Sources	31.69%	46.83%	-36.90%	0.00%	0.00%	0.00%	1.99%
2.080-Total Rev & Other Srcs	3.26%	4.66%	2.14%	2.62%	2.78%	2.58%	2.96%

Total Revenues and Other Financing Sources are projected to increase annually by an average of 2.96% over the forecasted years 2017 through 2021 which includes the renewal levy as compared to 3.26% average over the previous five years .

With over 56% of the district's funding coming from the State of Ohio (State Funding, Rest Aid and Property Tax Allocation), the state's biennial budget and economic outlook is a major factor in projecting future revenues.

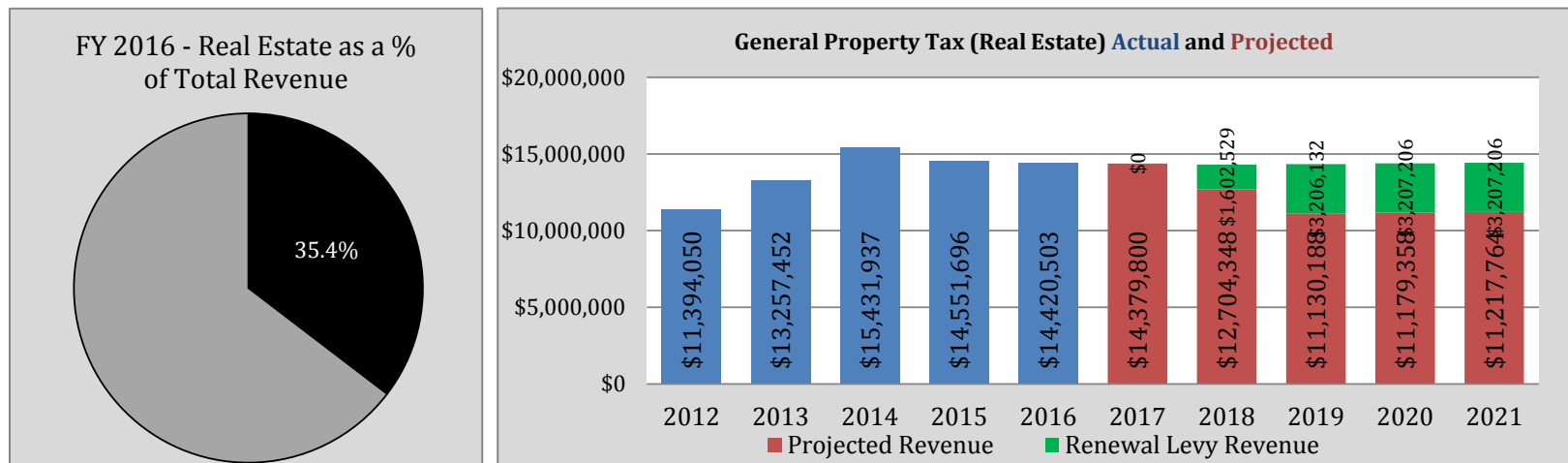
The next major revenue source is real estate taxes of which 72% is Residential/Agriculture (Class 1). The valuations in this area have seen a significant drop in the past three years including the 2015 in reappraisal year. Reverse HB920 and Emergency Levies which are dollar amount driven have played a significant role in mitigating the valuation loss. Collection of delinquent taxes over the past few years have also contributed to steady property tax revenues. While we have tried to project these collection amounts based on past history, we do not always know who or when someone is going to pay their delinquent tax amount.

Since the District cannot assume the passage of renewal tax levies, the tax collections must be reduced in the revenue portion of this forecast and shown on line 11.020. That is cause of low 5-Year Avg Change for 1.010, 1.020 and 1.050 revenue areas as compared to the Previous 5-Year average.



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).



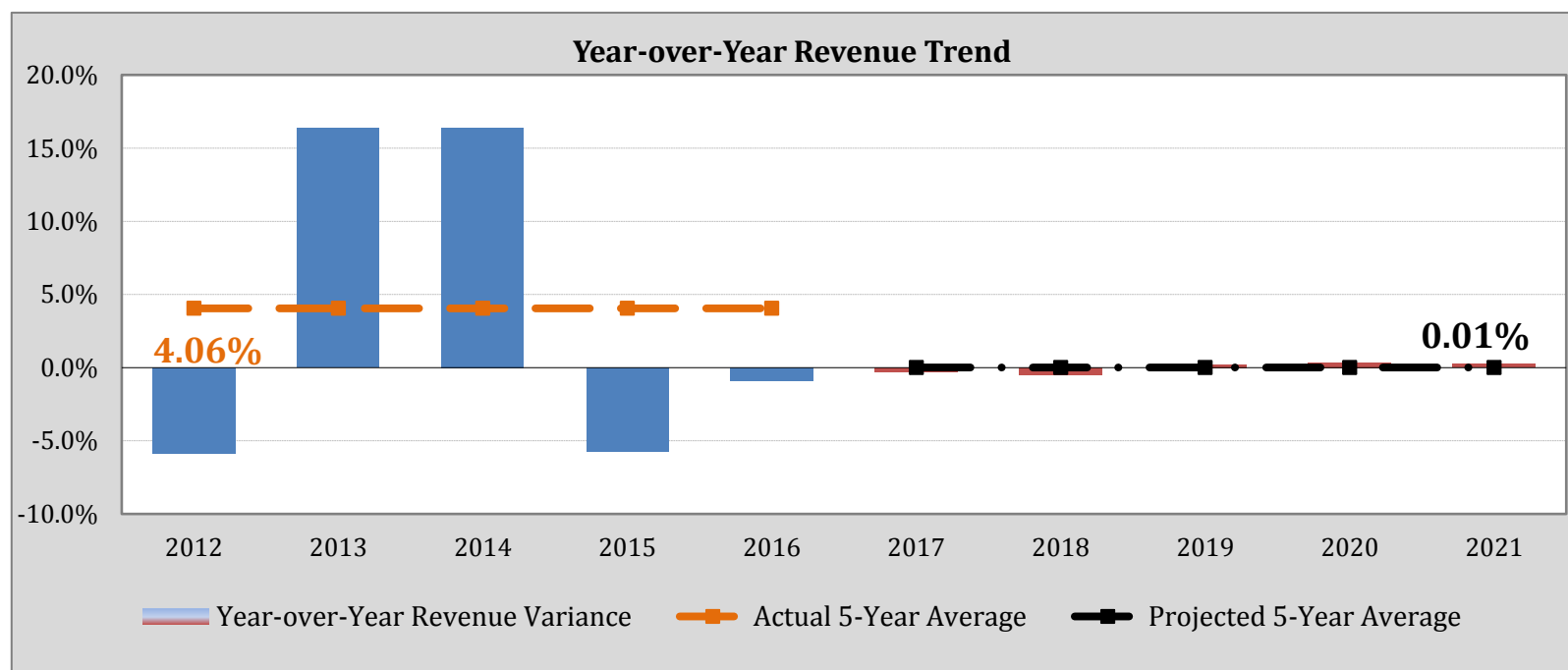
General Property Tax is the second highest revenue source of the district. The General Property tax consists of real estate taxes of both Residential (Class I) and Commercial/Industrial (Class II). Of these two, residential property tax makes 72% while Commercial/Industrial is 28% of these revenues. There are four major components that affect the district's real estate property tax revenues: Taxable Values, Tax Rates, Collection Rates and Delinquency Collections.

Taxable Values - Every three years, the county conducts a reappraisal of property tax values. For Cuyahoga County, that reappraisal took place in Tax Year 2015. From this reappraisal, the district saw a 15.35% reduction in total valuation for residential and a 9.73% in Commercial/Other valuation. Total valuation loss from reappraisal was \$45,184,290. For tax years 2016 and 2017 years, the district is forecasting .5% reduction annually for Residential and a .4% reduction annually for Commercial/Other. As for the next reappraisal in tax year 2018, the district is projecting a slight increase of 1.96% for Residential and 1.64% for Commercial/Other.

Tax Rates - Based on the valuation reduction and the Emergency Levies, the tax rate is calculated at 66.04 mills for Residential and 59.90 mills for Commercial/Other. The district has one emergency levy (\$4.1 million) which expires at the end of 2017. This levy makes up 14.1 mills of the tax rate and the graph above show the significant impact this levy has on our property tax revenue.

Collection Rates - The district had a collection rate 85.6% in 2016 and are projecting a 85.8% collection rate in the forecasted fiscal years.

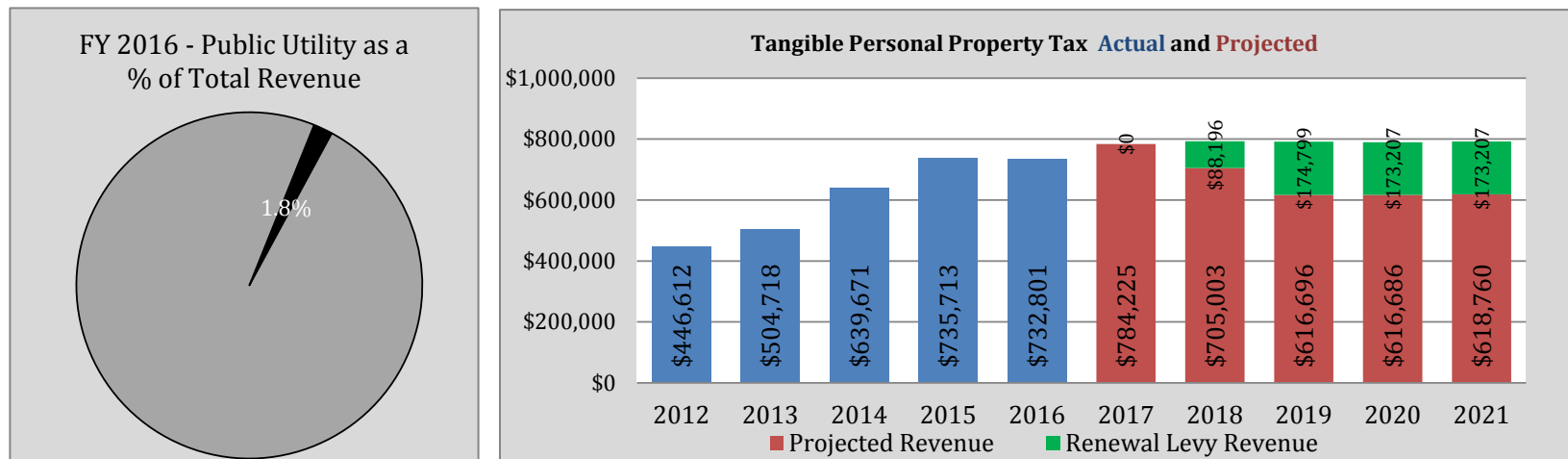
Delinquency collections in fiscal year 2016 was \$1.27 million and is projected to collect \$1.13 million in fiscal year 2017. The collection amounts are forecasted to \$850,000 annually for fiscal years 2018 through 2021.



*Projected % trends include renewal levies

1.020 - Public Utility Personal Property

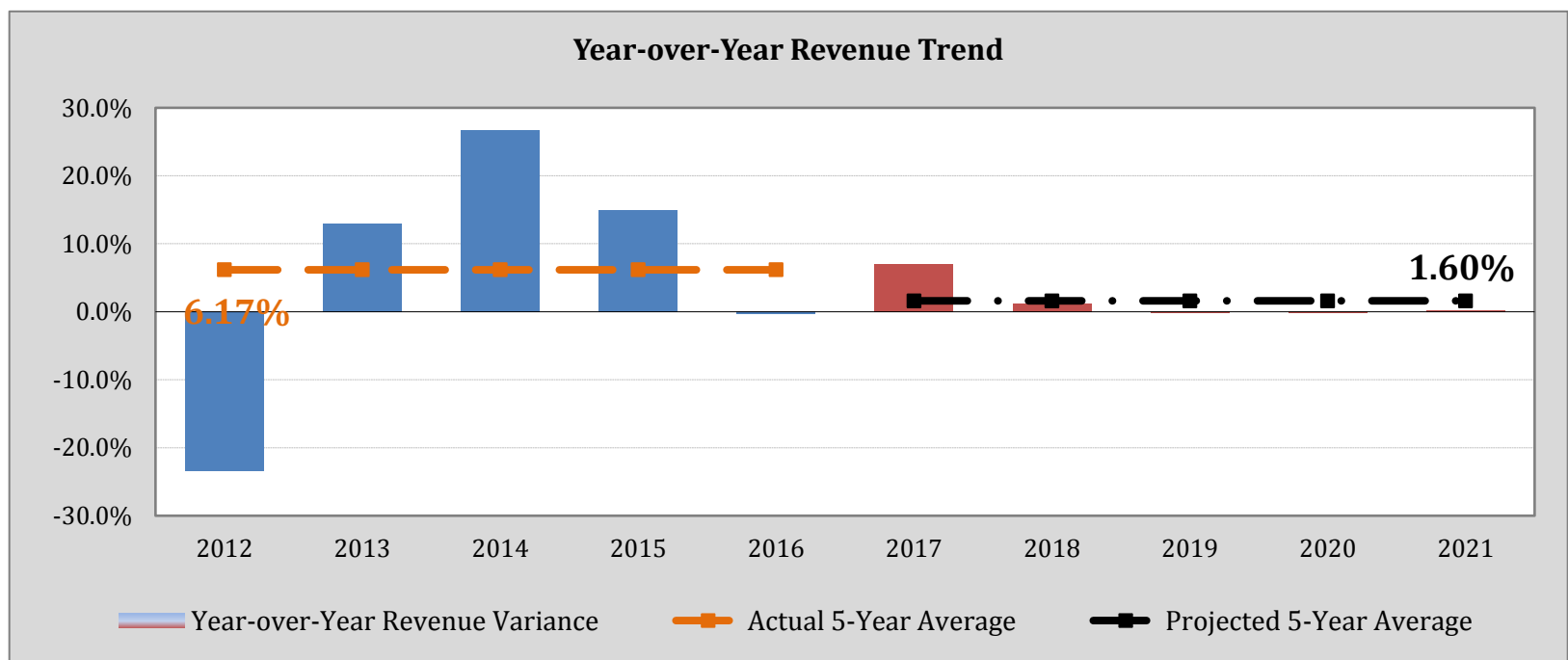
Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



Public Utility Personal Property (PUPP) tax revenues is generated from telephone, natural gas, electric and water lines and equipment.

The PUPP valuation increased minimally in Calendar Year 2015. We will not know the Calendar Year 2016 amount until December 2016. PUPP valuations along with the corresponding revenues generated from this are projected to increase slightly in 2017 and then be flat lined for forecasted years 2018 through 2021.

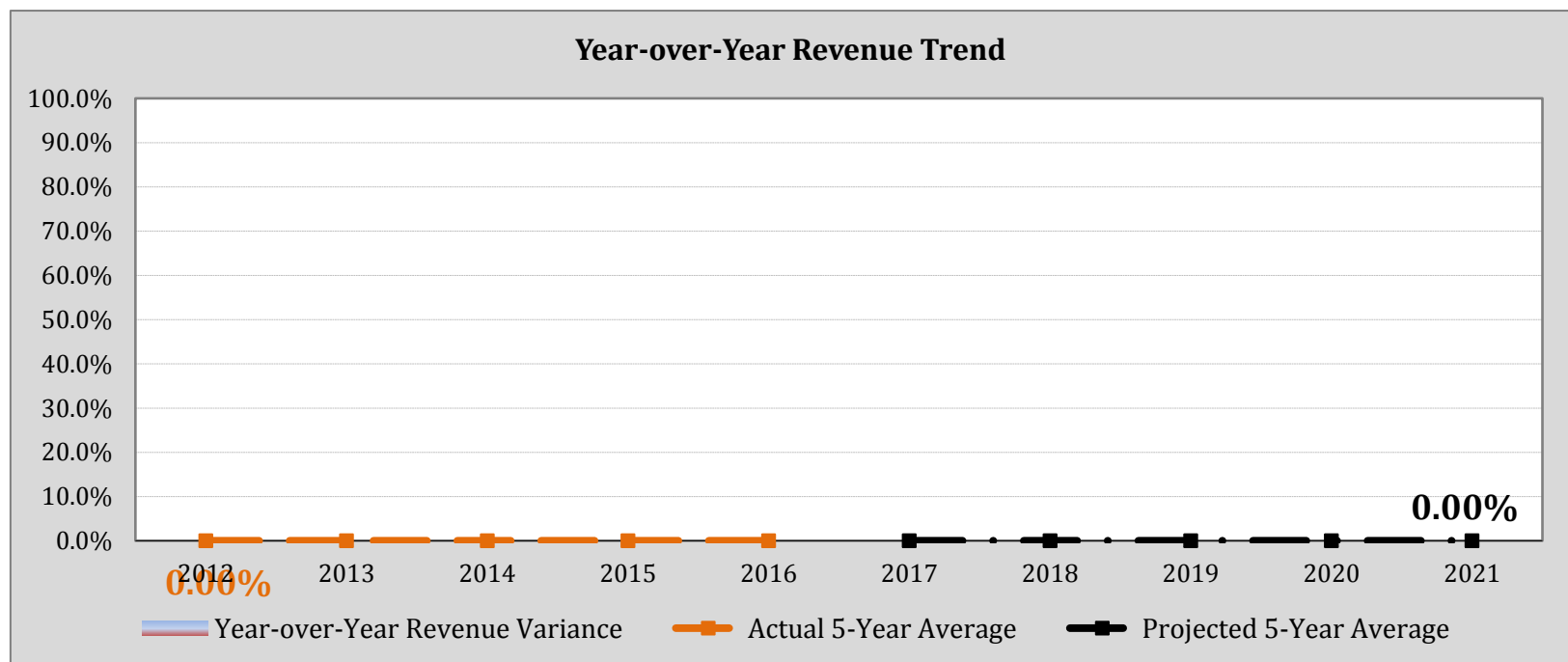
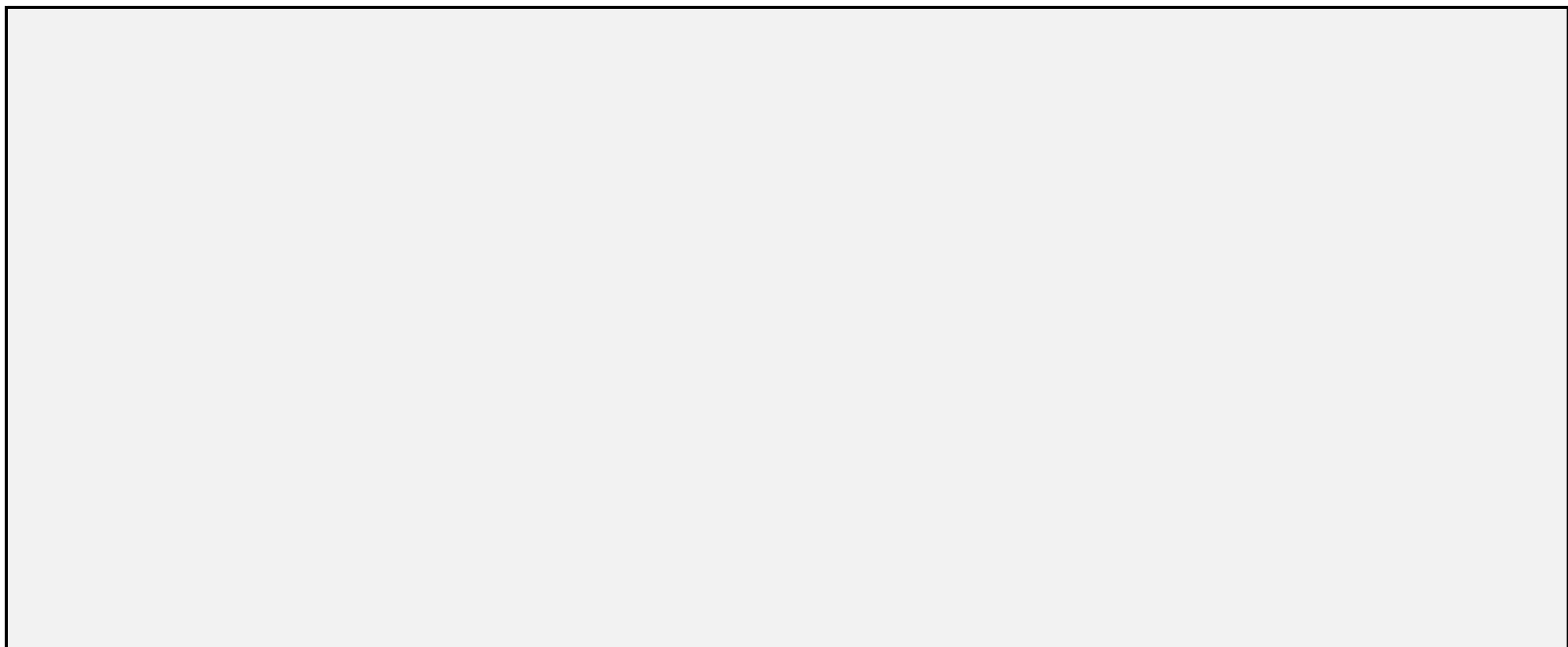
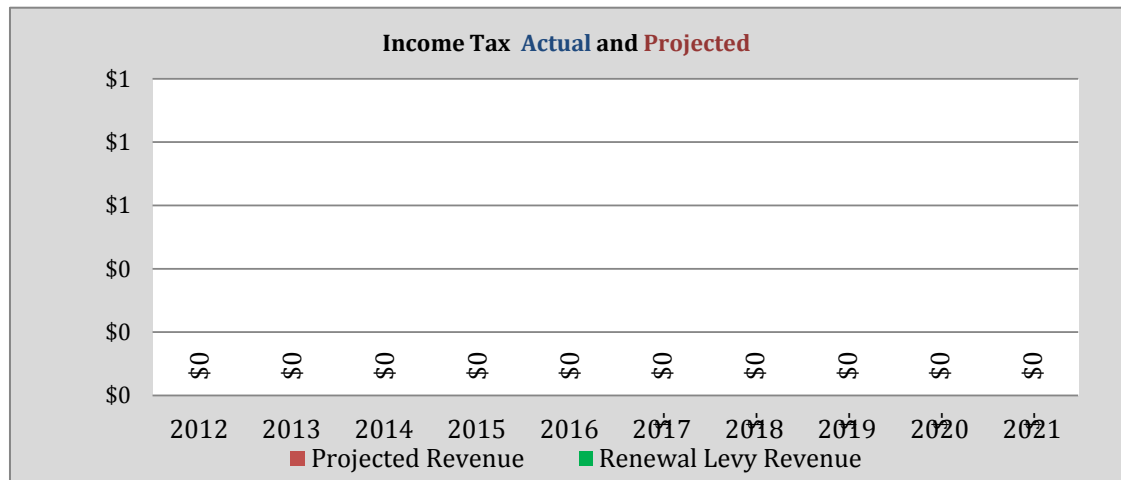
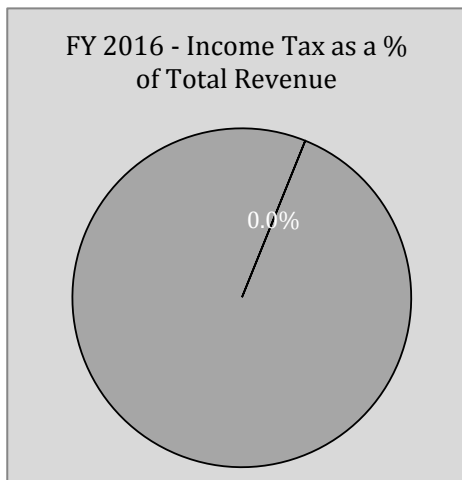
PUPP valuations are assessed at the full tax rate.



*Projected % trends include renewal levies

1.030 - Income Tax

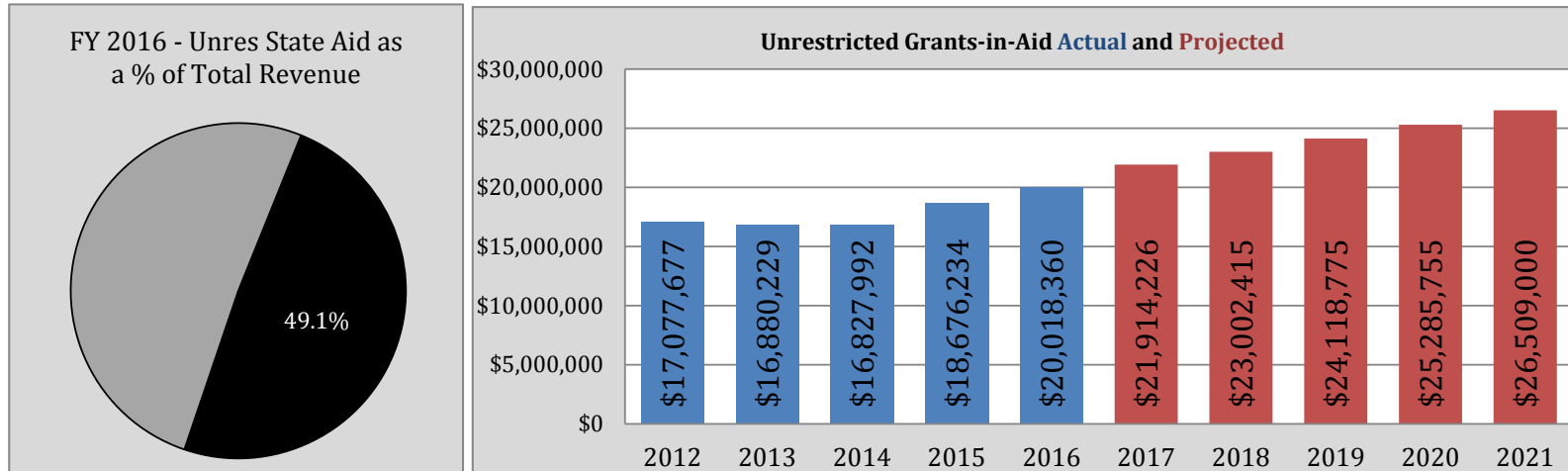
Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.



*Projected % trends include renewal levies

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



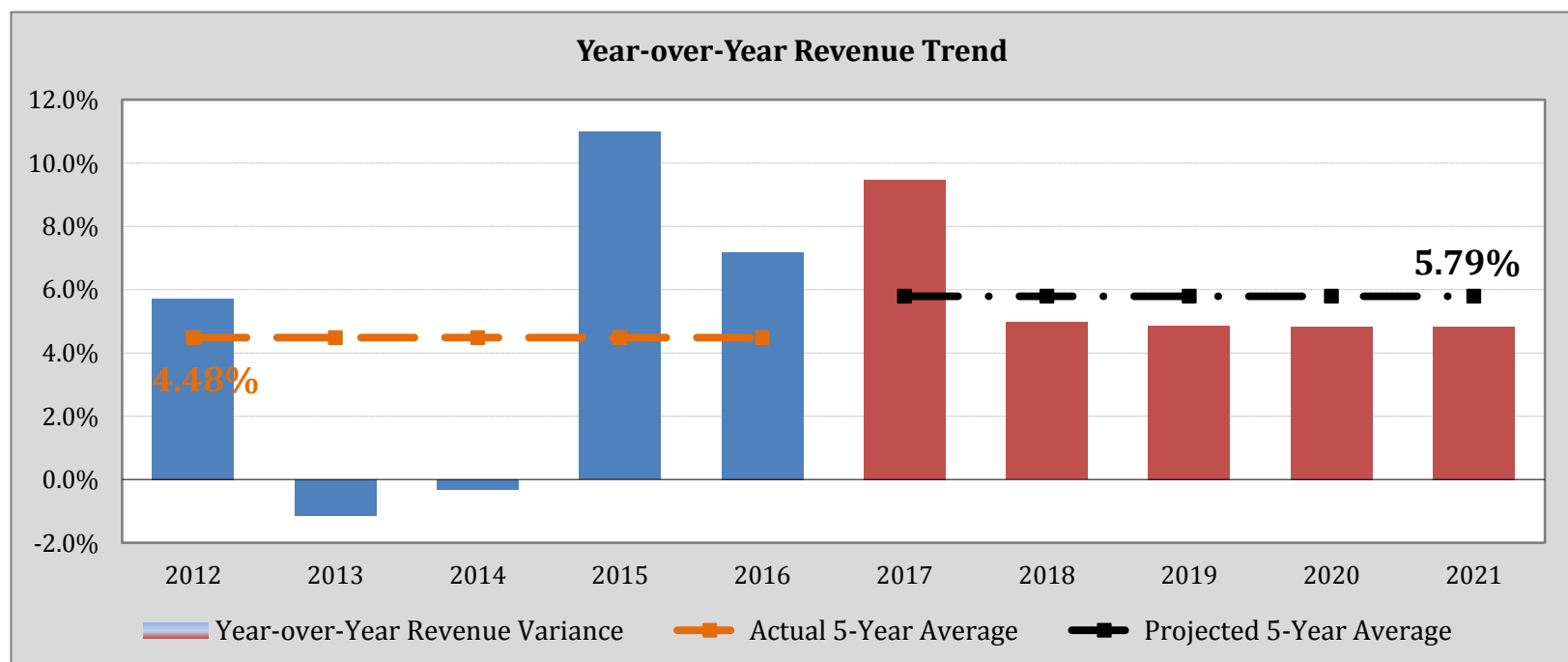
Unrestricted Grants-In-Aid is the largest revenue source of the district at 52% if you include the Economic Disadvantage Aid (Restricted) as part of the state's overall funding formula.

The Unrestricted Grants-in-Aid revenue amount shown for fiscal year 2017 is the amount calculated by the State Legislature under the two year budget bill which expires June 30, 2017. Also included is the Preschool, Special Education Transportation, and Casino Revenue. These amounts are not projected to change significantly in the forecasted fiscal years.

Under the State's current funding formula, the district is considered a "CAP" district. While the current funding formula showed the district qualifying for a higher amount of state aid, the biennial budget (16-17) calls for a CAP on the funding amount of 7.5%. That means that no school district would receive a maximum increase of 7.5% in state aid from the previous year if the funded formula amount exceeds the CAP amount.

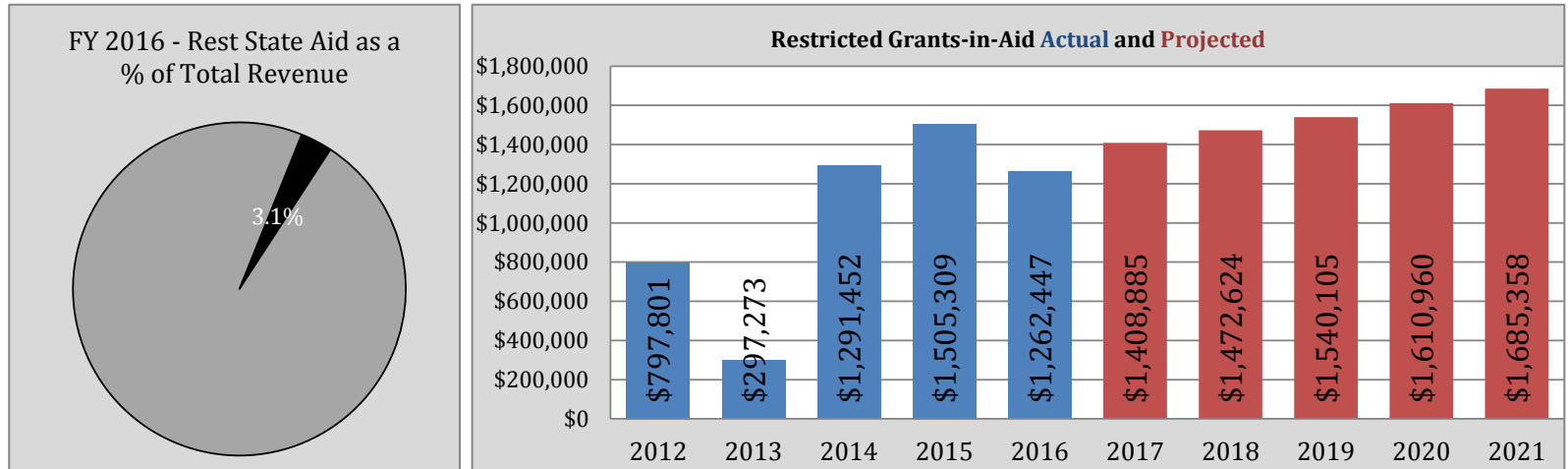
For projected years 2018 through 2021, the district is assuming that the state will continue to fund urban district's in the same manner as in the current biennial budget but at a reduced CAP increase of 5% each fiscal year. The district foresees being off the CAP during forecasted fiscal years.

Casino Revenues are an 'Other Unrestricted State Grant-In-Aid. The projected rate moving forward will be \$50.50 per pupil amount as established by State Legislature.



1.040 & 1.045 - Restricted Grants-in-Aid

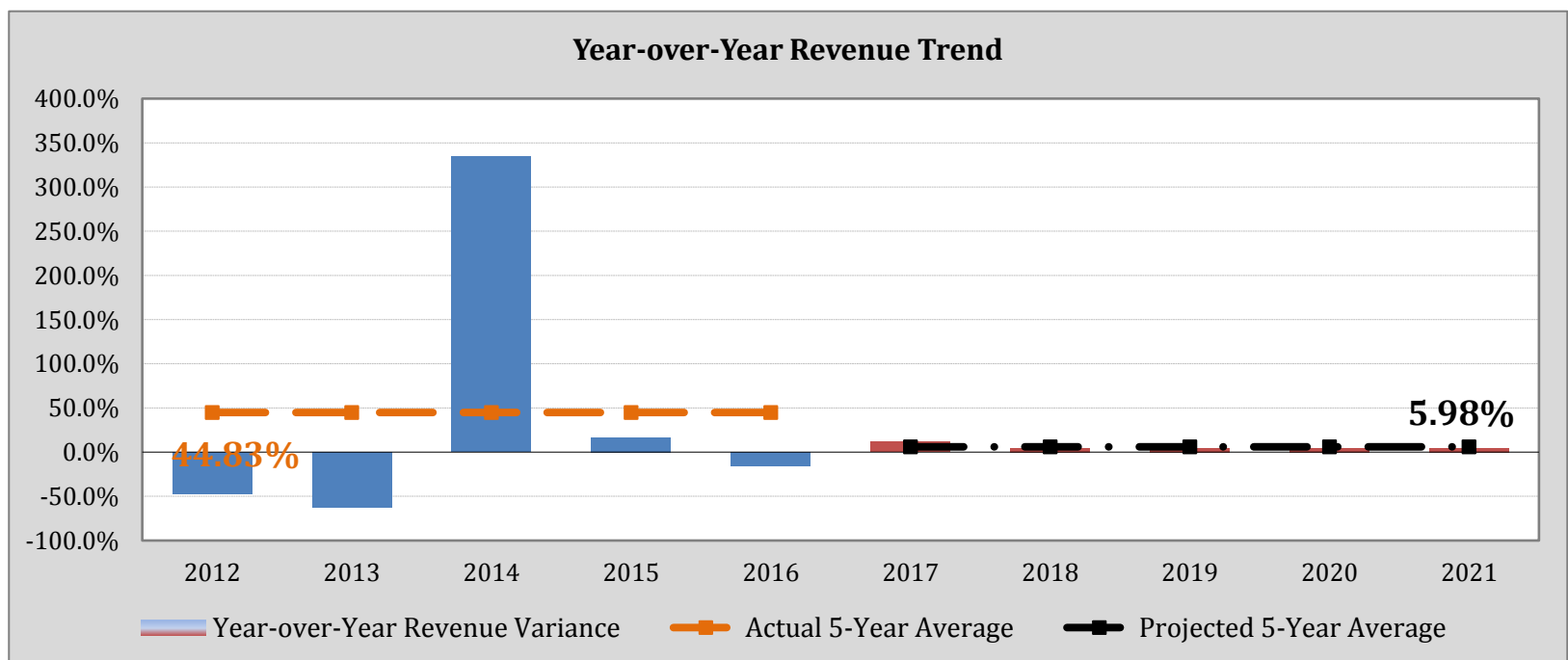
Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



An additional component of the State’s current funding formula is Economic Disadvantage Aid. This formula amount is deemed restricted by the Ohio Department of Education and the calculated formula amount is reflected here. For the forecasted amounts in Economic Disadvantage Aid, the district using the state's FY 2016-17 budget and the same assumptions as with the State Basic Aid. This amount also follows under the cap rule.

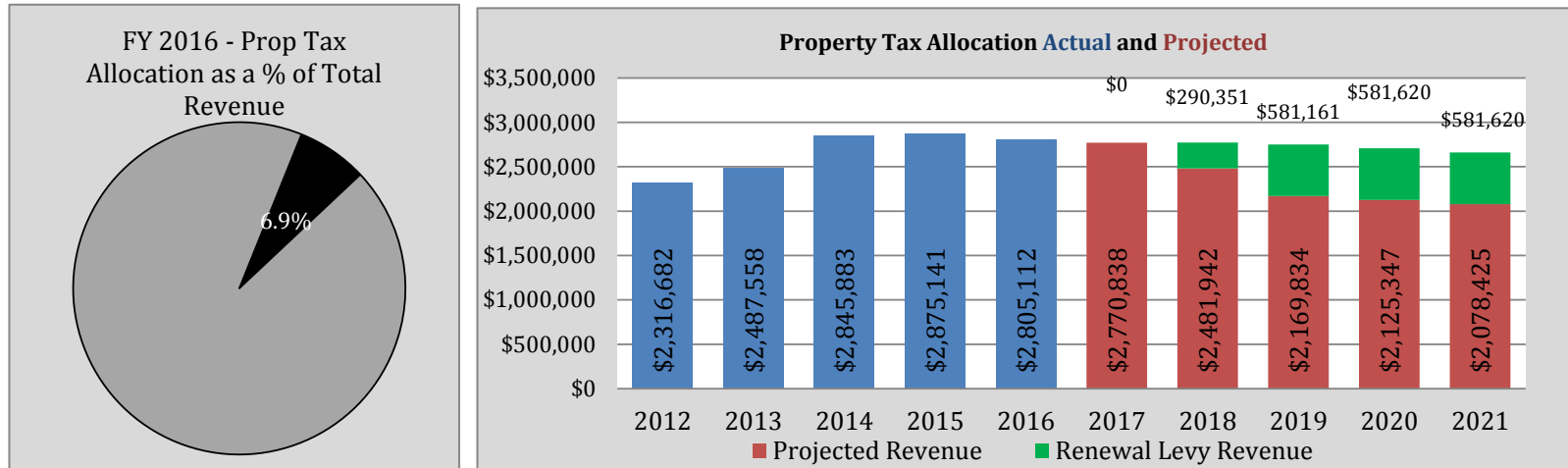
The District receives career/technical aid and catastrophic aid reimbursement. The district has seen significant reductions in these areas. Further, in 2016, the state delayed its catastrophic aid payments to the schools.

Both of these payments are projected in 2017 and then projected to remain flat over forecasted fiscal years 2018 through 2021.



1.050 - Property Tax Allocation

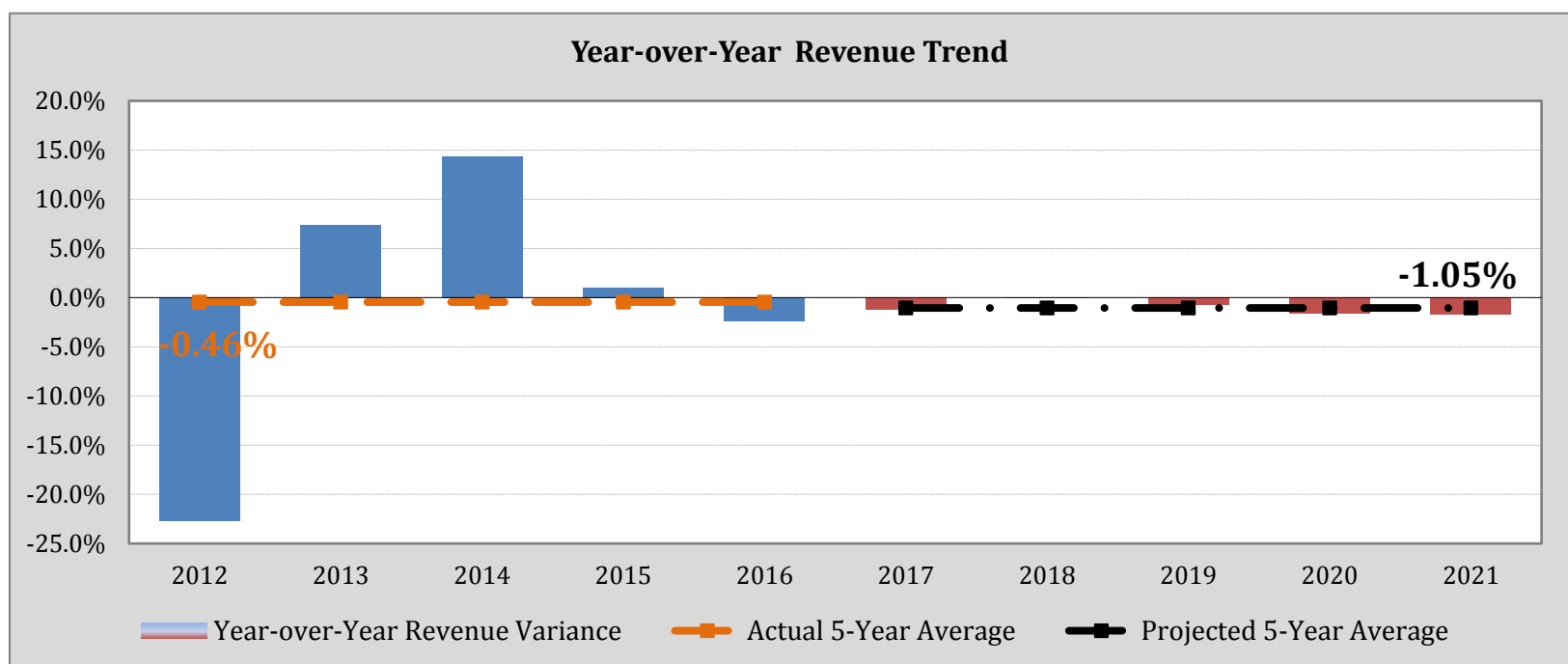
Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Deregulation, Homestead and Rollback.



The Property Tax Allocation revenues are the district's third largest revenue source at 6.9%. A major portion of the Property Tax Allocation is generated from the Homestead and Rollback payments received from the State of Ohio. These payments are based on the relationship to actual real estate property tax collections. From the forecasted overall general property revenues, 7% is being used to calculate the homestead exemption, while 11% is being used to calculate the rollback amounts for each of the forecasted years 2017 through 2021. These percentages are in following historical trends.

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 of their TPP reimbursement phased out in prior years. The remaining amounts not phased out are shown in the forecasted fiscal year 2017 through 2021.

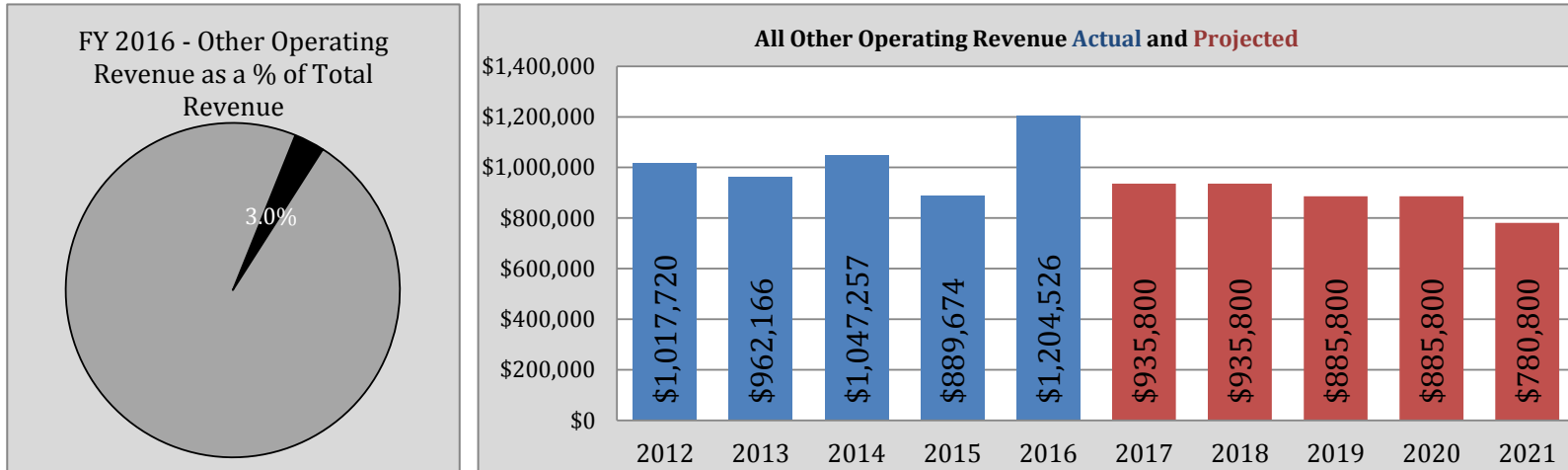
Also impacted here in the Emergency Levy due to expire at the end of 2017 as shown in the graph above.



*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.



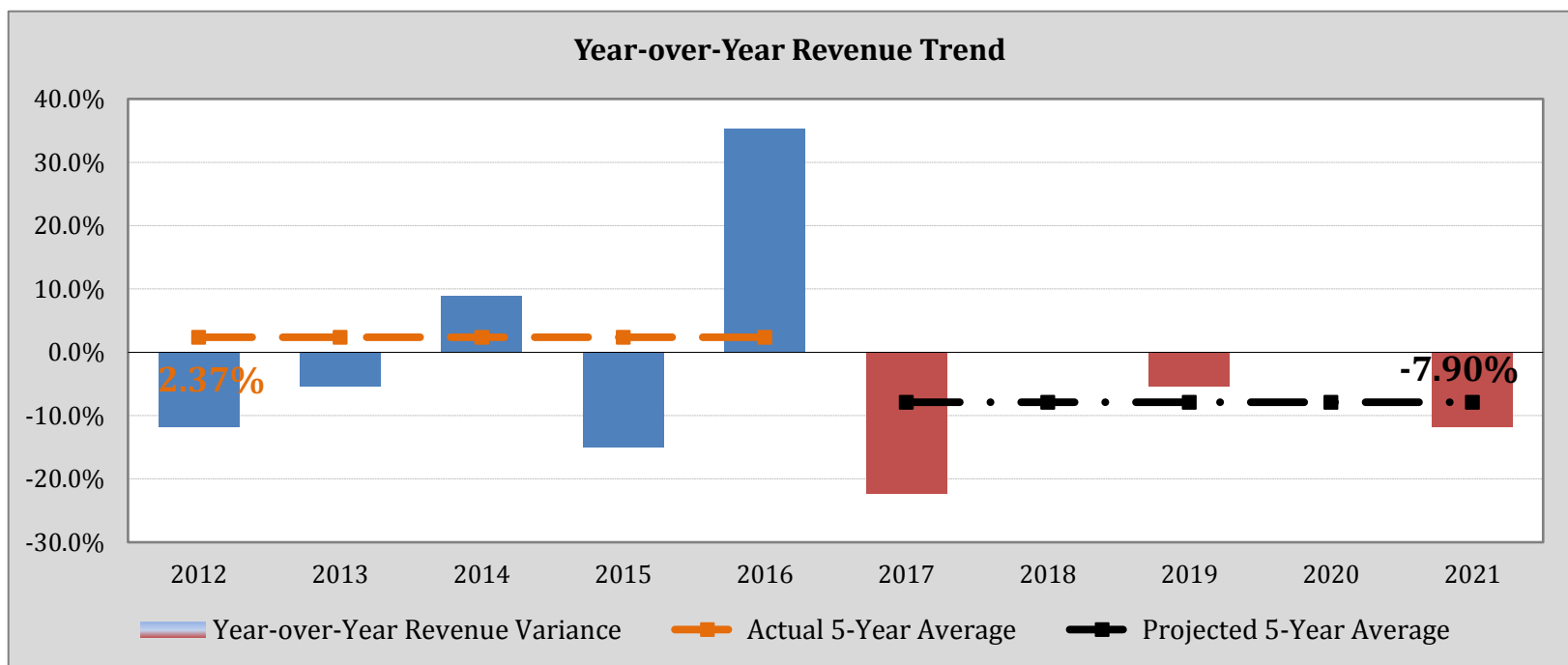
The "All Other Operating Revenues" makes up a very small portion of the district's overall revenues and consists of Tuition payments, Earnings on Investments, Pay-to-Participate Fees, Building Rentals, Medicaid Reimbursement, CityView TIF payments and any other miscellaneous payments to the district.

In fiscal year 2016, tuition made up 36% of this revenue area and revenues in fiscal year 2016 amounted to \$390,526. Assuming no additional tuitions increases, the revenues are projected at \$350,000 annually in the forecasted fiscal years 2017 through 2021.

Medicaid reimbursement in 2016 was \$106,729. The projected annual amounts in the forecasted fiscal years is \$100,000.

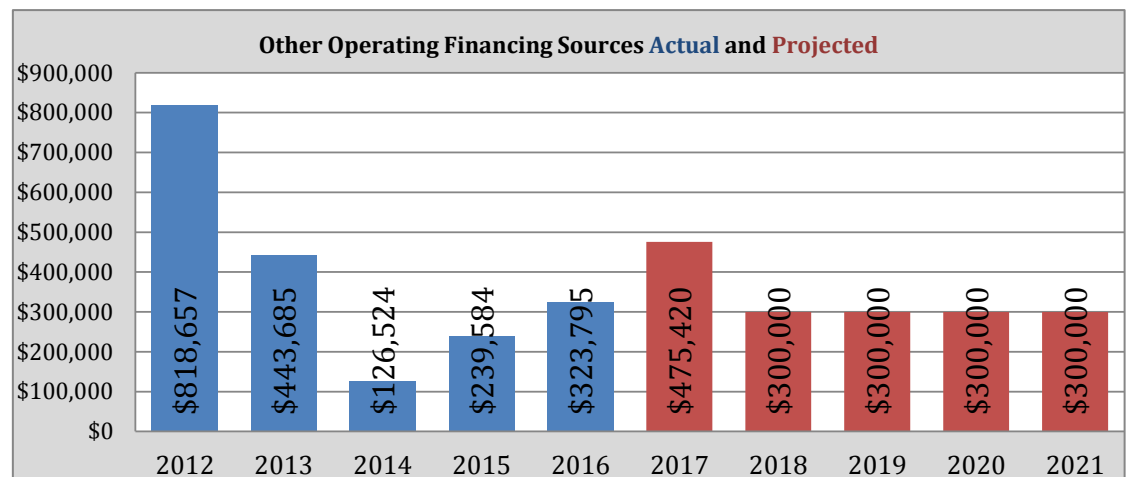
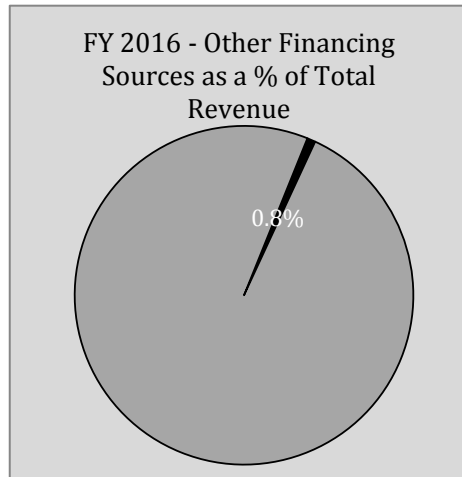
In fiscal year 2015, the district received \$121,590 as their share from the CityView Tax Increment Finance (TIF) agreement. In fiscal year 2016, the district received \$451,714. These amounts are received from the City of Garfield Heights and are based on their calculations. The amounts being forecasted is \$250,000 annually for fiscal years 2017 through 2021. However, these amounts may change dramatically as CityView remains in receivership.

Earnings on Investments, Fees, Rentals and Miscellaneous are all projected to remain flat lined in forecasted fiscal years.



2.070 - Total Other Financing Sources

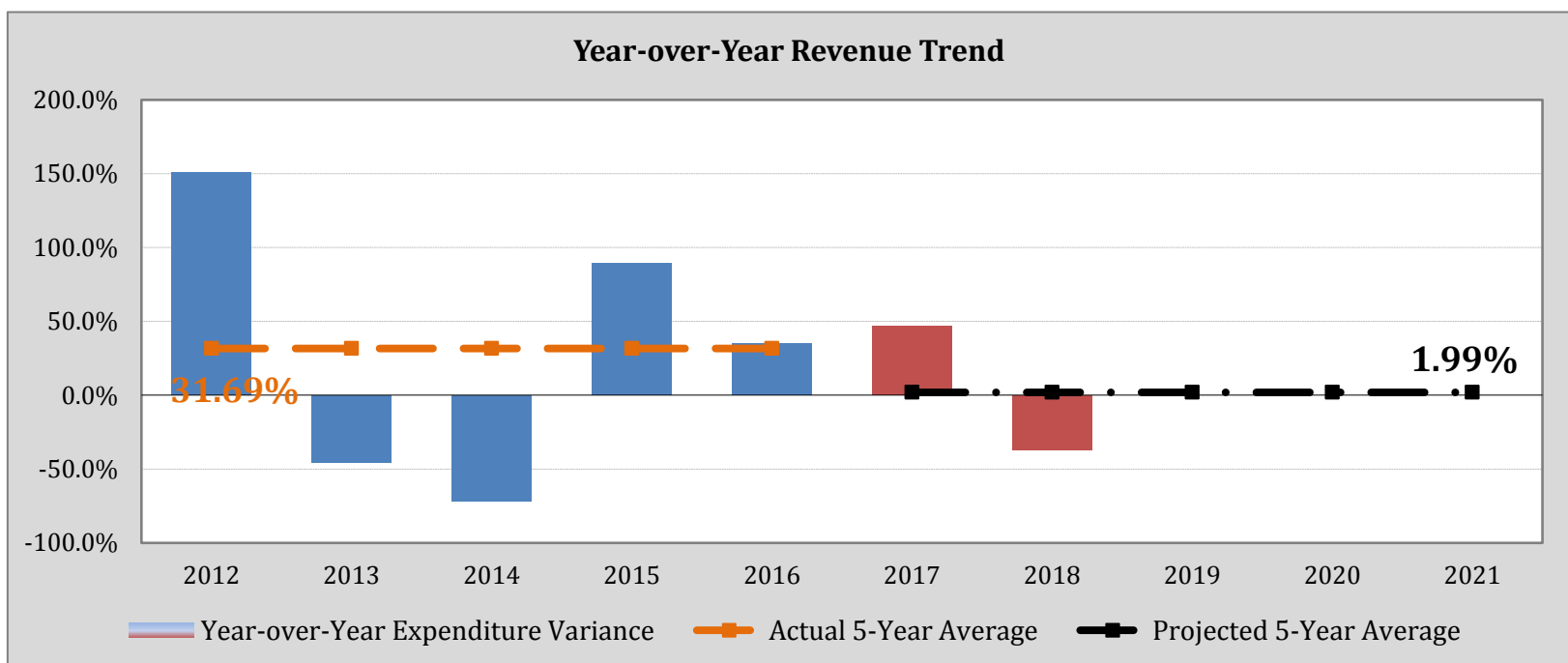
Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



No significant transfer-in are projected in the forecasted fiscal years.

Advances-In amounts shown in the forecasted years are based on the previous fiscal year's initial Advances-Out.

Other financing sources (Refunds of Prior Year Expenditures) are projected at \$0 in the forecasted fiscal years due to the random nature that they are received and low impact dollar amount.



Expenditures Overview

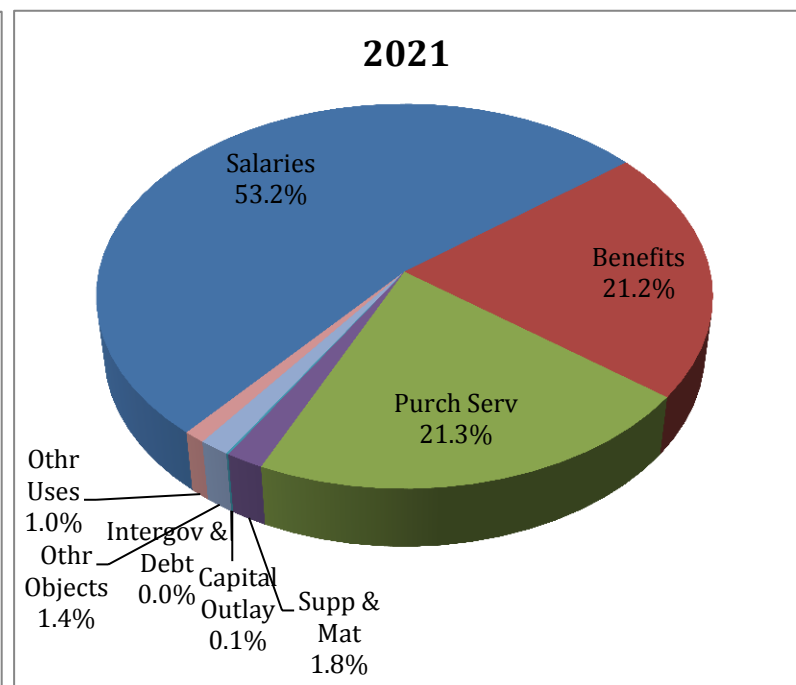
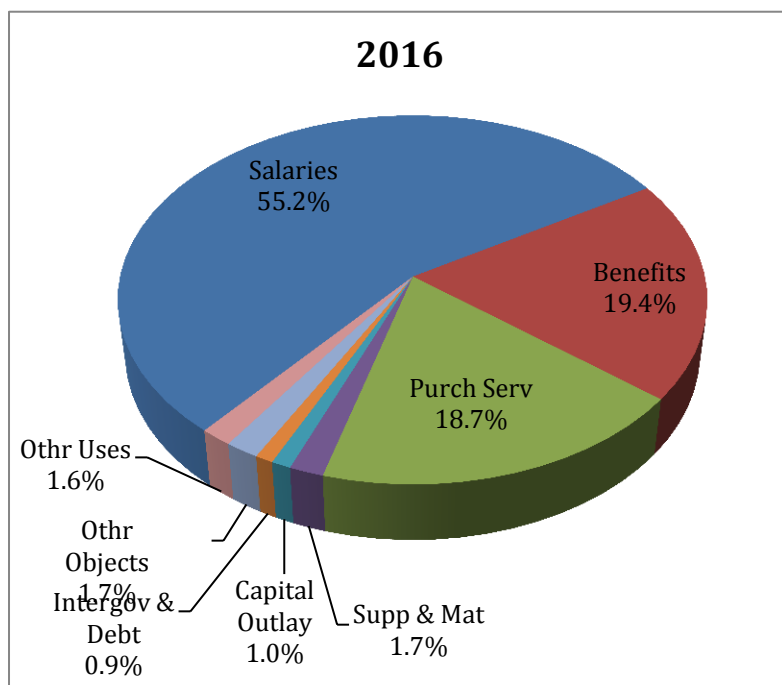
	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	
Expenditures:							
3.010-Salaries	3.13%	2.95%	2.58%	2.58%	2.58%	2.58%	2.66%
3.020-Benefits	3.15%	5.45%	4.88%	5.00%	5.50%	5.58%	5.28%
3.030-Purchased Services	10.34%	4.63%	6.58%	6.62%	6.67%	6.72%	6.24%
3.040-Supplies & Materials	12.45%	48.82%	-20.57%	1.75%	1.76%	1.76%	6.71%
3.050-Capital Outlay	64.37%	-31.46%	-79.78%	0.00%	0.00%	0.00%	-22.25%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	-6.47%	0.00%	-77.45%	0.00%	0.00%	-100.00%	-35.49%
4.300-Other Objects	5.07%	-9.85%	5.03%	-0.57%	4.91%	2.12%	0.33%
4.500-Total Expenditures	4.18%	3.96%	2.05%	3.81%	4.04%	3.87%	3.55%
5.040-Total Other Uses	-1.34%	-22.46%	0.00%	0.00%	0.00%	0.00%	-4.49%
5.050-Total Exp & Other Uses	4.02%	3.55%	2.03%	3.77%	3.99%	3.83%	3.43%

Total expenditures including 'Other Financing Uses' are expected have an average annual increase of 3.43% over the forecasted five years as compared to an actual average annual expenditure increase of 4.02% over the previous 5 years.

Salaries are showing a 2.66% 5-Year Avg. Annual Change as compared 3.13% in Prev 5 years. Both negotiated agreements expire on June 30, 2017 and future negotiations will have an impact on the projected fiscal years.

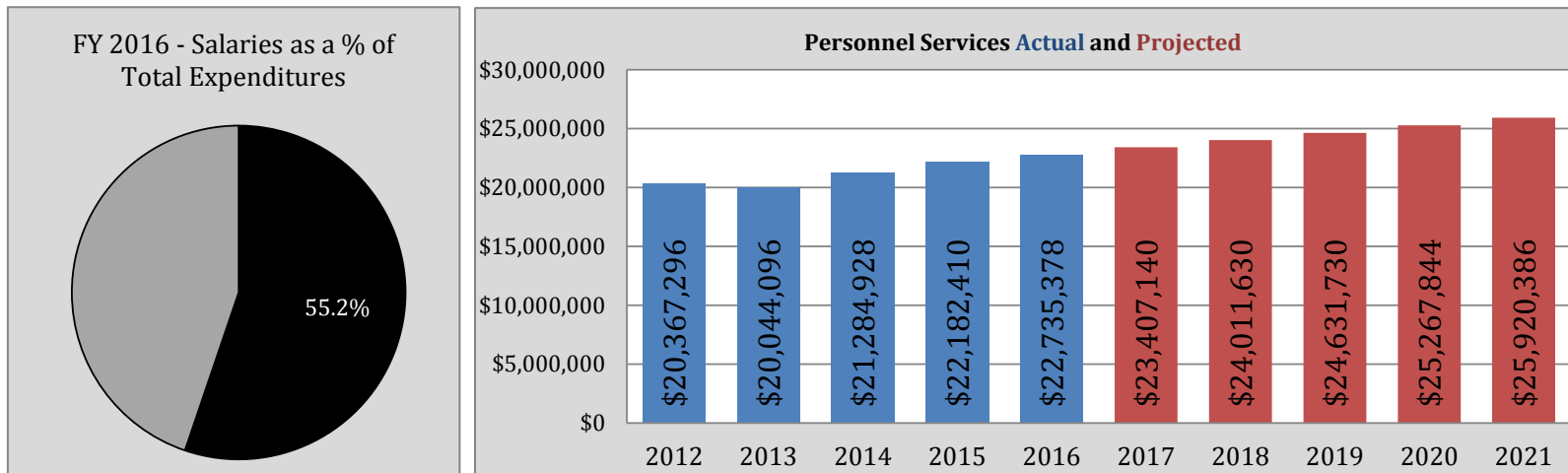
Benefits are showing 5.28 5-Year Avg Change as compared to 3.15% in the previous 5 years. Health care costs continue to rise and will have a major impact on the projected years.

Purchased Services has a 6.24% 5-Year Annual Change and compared to 10.34% in the previous 5 years. However, while the annual change has decreased, out of district tuition costs continue to rise and will also have a significant impact on the projected fiscal year amounts for purchased services.



3.010 - Personnel Services

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

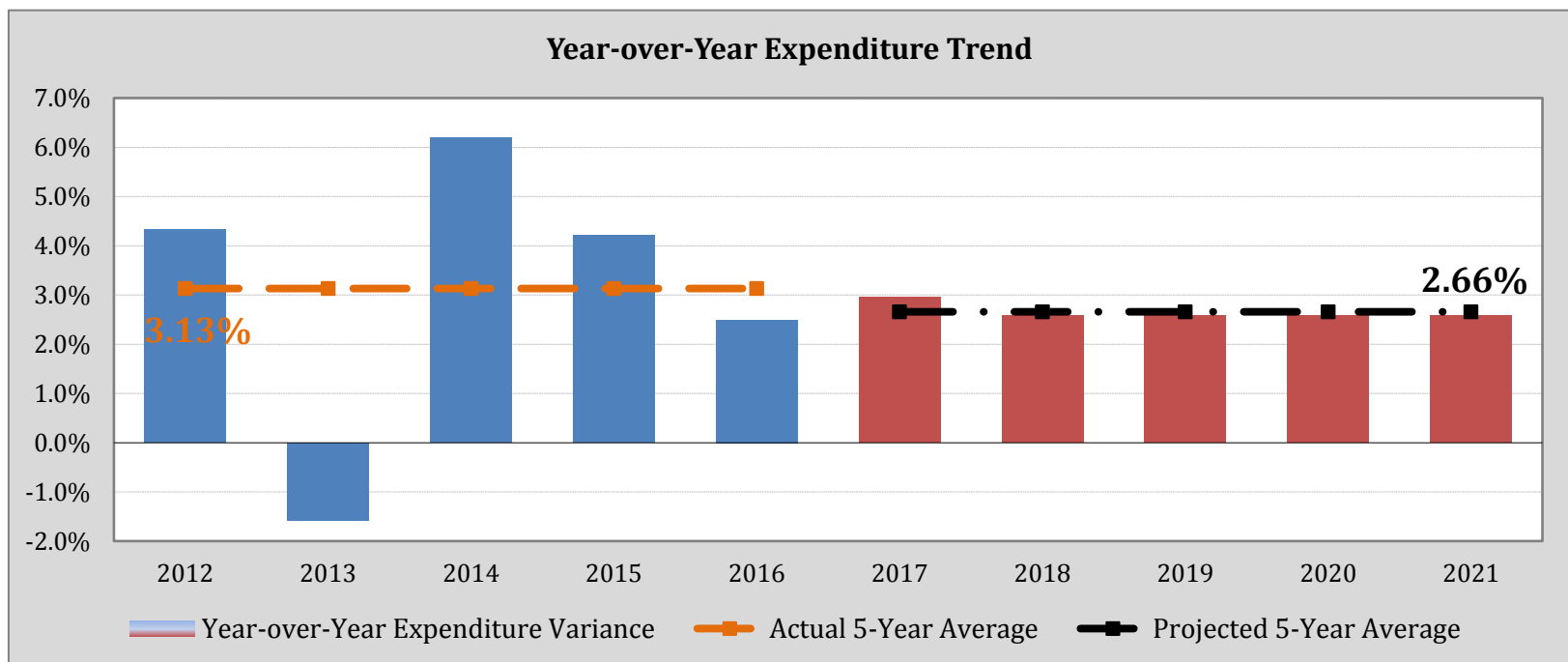


The Personnel Services is largest expenditure area of the district at 55.2%. This area includes teachers, classified, administrators, exempt, qualified staff along with other compensation such as supplemental contracts, OT, substitutes, severance payments, and any other compensation.

For forecasted fiscal year 2017, the projected amounts reflects the final year of a three year negotiated agreement with the teachers and classified staff. For forecasted years 2018 through 2021, forecasted amounts assume only step increases as set forth in the current negotiated agreement salary schedules. Wage amounts projected for administration are based on individual contract agreements and historical increases which amounts to the equivalent of a step increase. Wage amounts projected for the exempt and qualified staff are based on established salary schedules, experience level, and level of responsibility and only reflect salary schedule step movements where applicable.

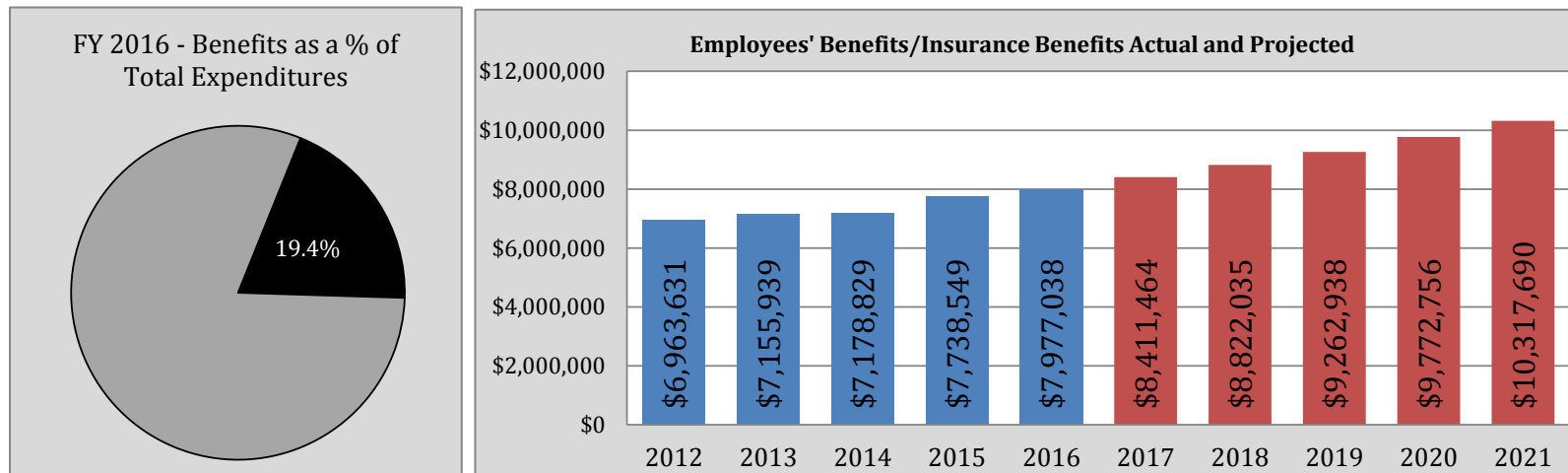
Supplemental contracted amounts follow the negotiated agreement base salary amount. Severance payments and early retirement incentive program costs, for those employees having retired, are projected to decrease slightly over the forecasted years based on past history. Overtime, extra time, incentives and extended times wage amounts are projected to remain flat lined in forecasted years 2017 through 2021. These amounts are based on past history.

We are projecting no increase in staffing levels for the forecasted years 2017 through 2021.



3.020 - Employees' Benefits

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

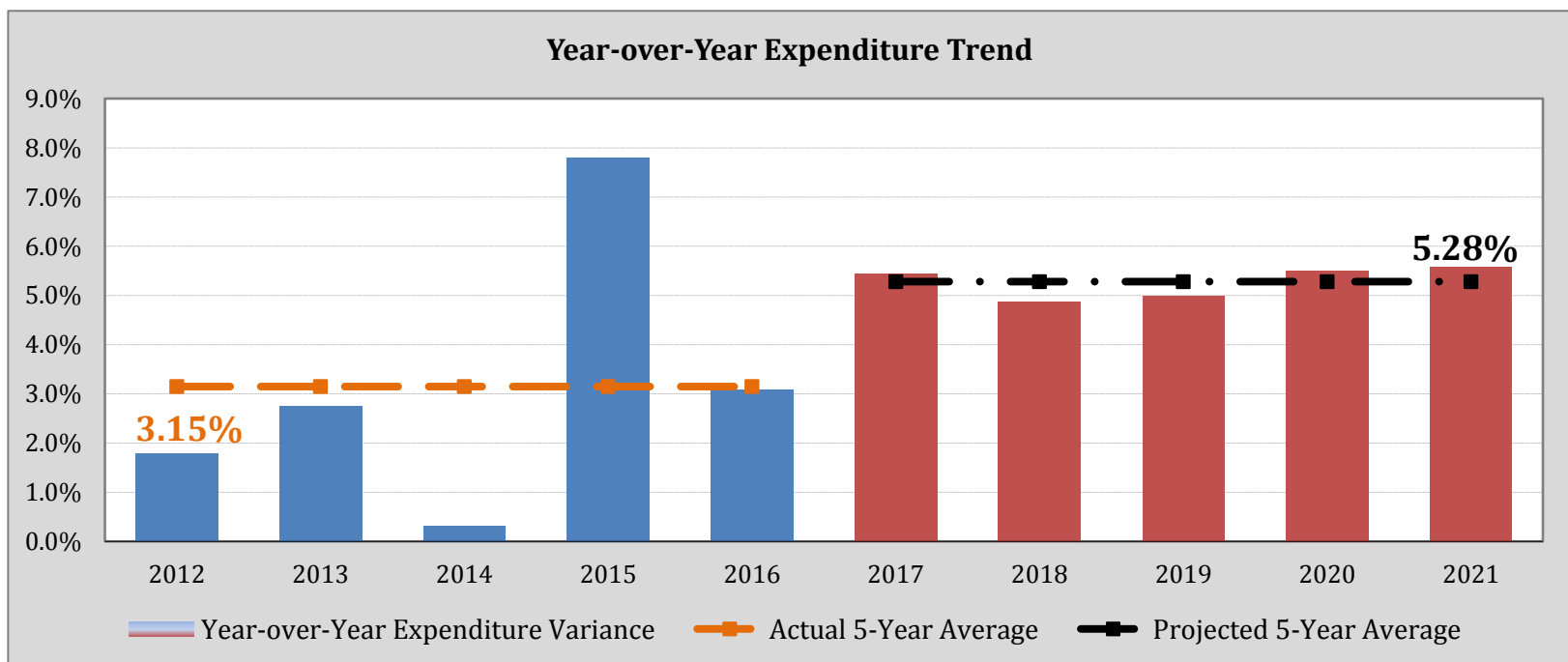


Employees' Benefits is the next largest expenditure area at 19.4% of overall expenditures. This area consists of retirement, medicare, health care and workers compensation.

The district is required to contribute 14% of an employee's salary to either of the Retirement Systems and 1.45% to Medicare. As personal service (salaries, wages) costs increase from staff levels, step movements, and other compensation, retirement costs are projected to follow. We are also projecting no changes in the contribution percentages for both the STRS and SERS.

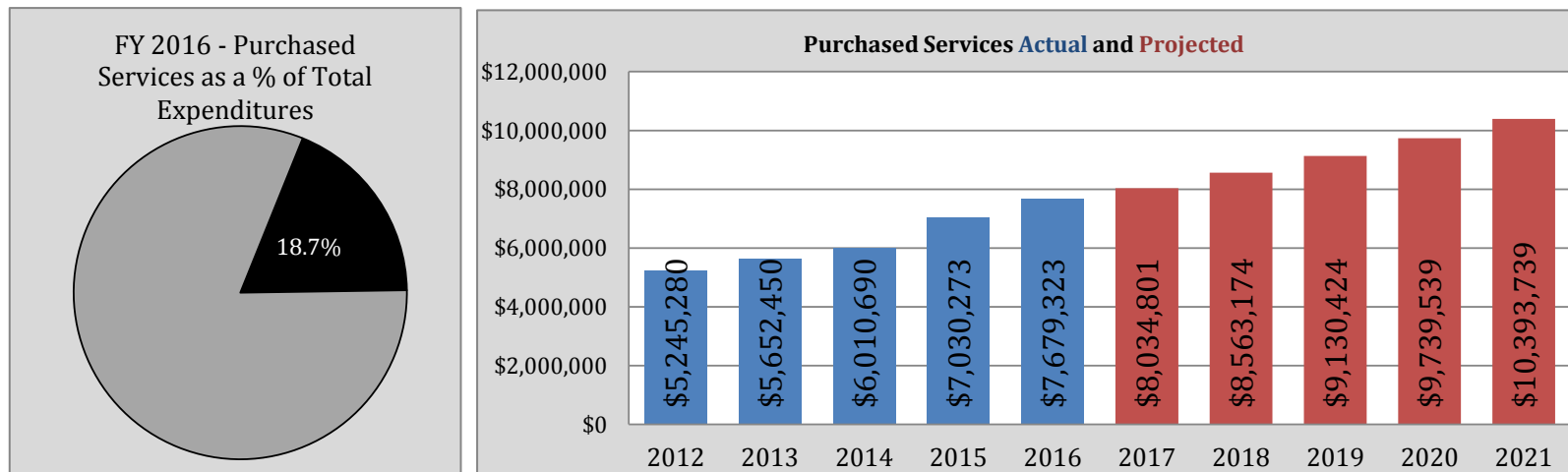
Health Insurance benefits makes up 50% of the employee benefits which provides Medical, Drug, Dental, Vision and Life insurance coverage to full time employees. Insurance benefit rate projections include not only forecasted increases but any negotiated employee contribution amounts. The medical insurance rate increased significantly 7.22% while the aggregated drug, dental and vision rate increased 15% for fiscal year 2017. For forecasted fiscal year 2018, a medical rate of 10% is being projected and an 11% increase for the aggregated drug, dental and vision. For 2019 through 2021, increases of 8% medical and 8% aggregated drug, dental, and vision is being projected. All employees who elect insurance coverage contribute towards the insurance coverage premium. This contribution amount is based on current negotiated agreements which expire on June 30, 2017. For purposes of this forecast, these contributions are not projected to change in forecasted years 2017 through 2021.

The workers' compensation rate is projected to remain constant and follow projected personal service amounts.



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.



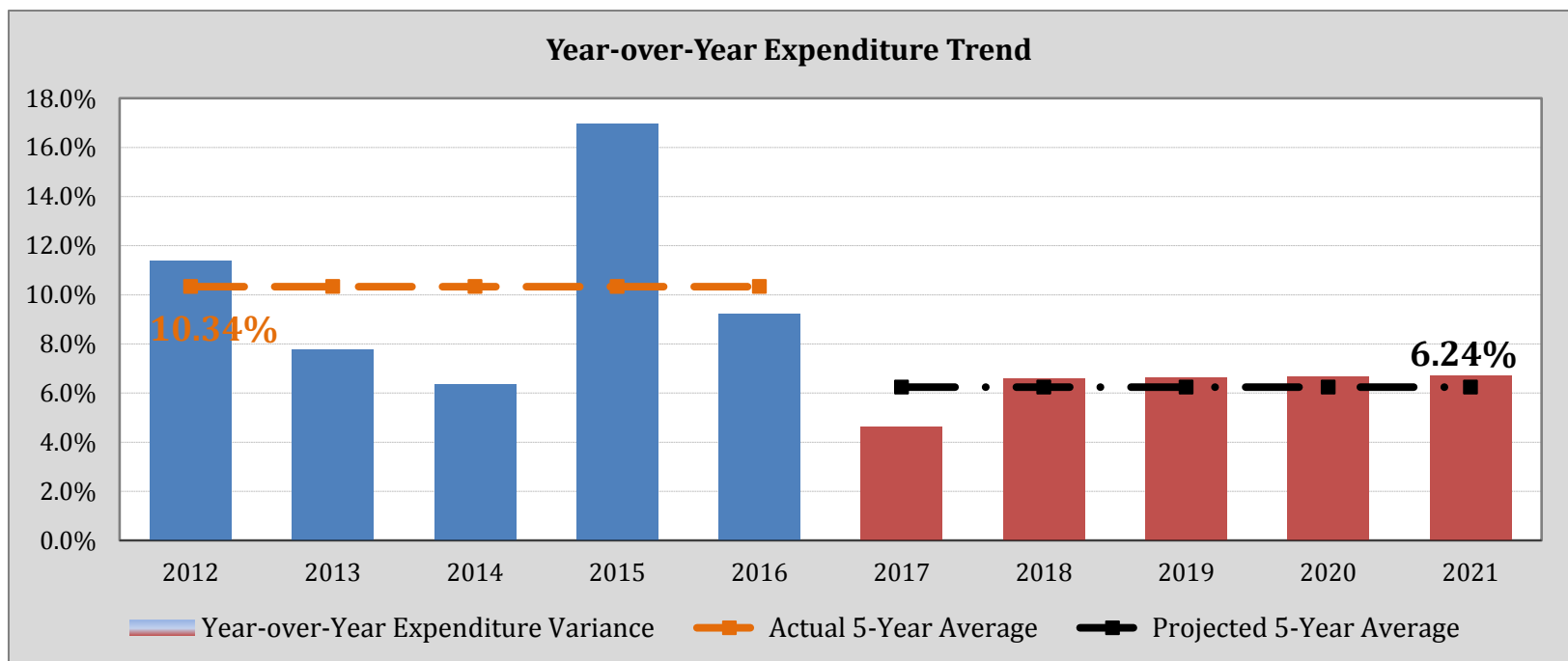
Purchase Services is 18.7% of the overall expenditures. This category includes contractual services, community school and special education tuition, health/OT/PT services, legal services, rentals and leases, travel and mileage, utilities, and building/equipment repairs.

Out of district tuition costs represents 63% (\$4,857,429) of the purchase service expenditures and saw a 38% increase from the prior year. The most significant is Community Schools, Ed-Choice, and Post Secondary. Enrollment in these schools continues to rise therefore driving up costs to the district. The projected increase for 2017 is 10% and then 8% annually in the forecasted fiscal years.

Utility costs saw a slight decrease to \$1,145,464 in 2016 due a decrease in natural gas prices. These cost are projected to rise 7% in 2017 and 5% annually in the forecasted fiscal years.

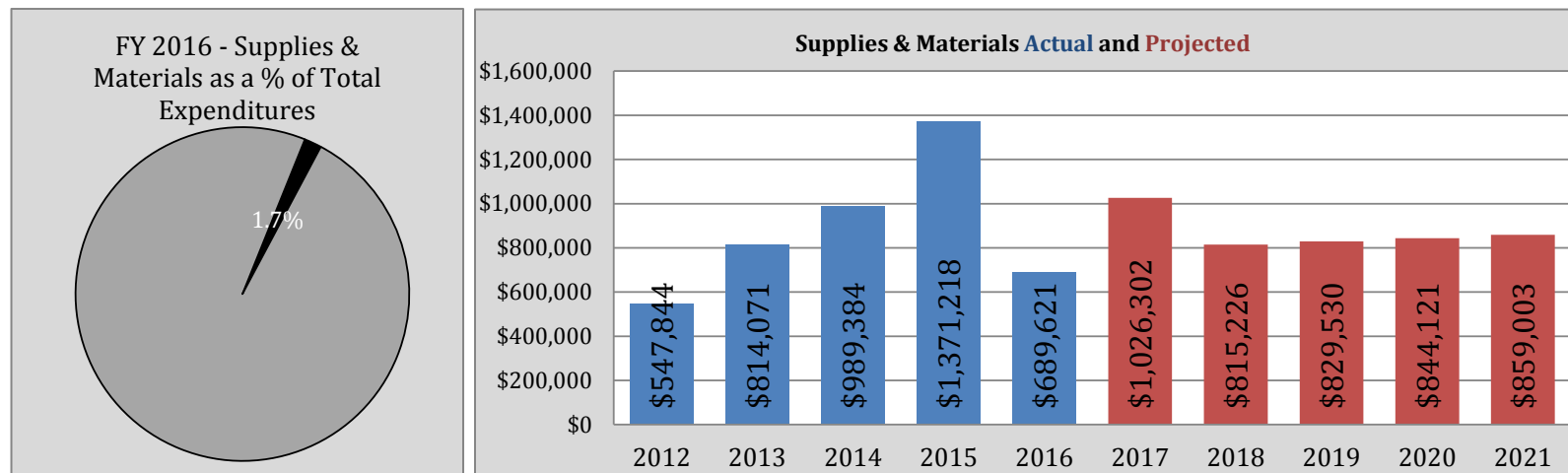
Contractual services (substitutes, legal, health, psychologist, OT, PT, legal, professional, copier) increased 5.9% to \$1,676,000. These cost are projected to increase 2.8% in fiscal year 2017 and then 3.5% annually in the forecasted fiscal years.

All other purchase services (travel/meeting expenses, advertising , printing, transportation) assume an annual 2% inflationary increase in each of the forecasted fiscal years.



3.040 - Supplies & Materials

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



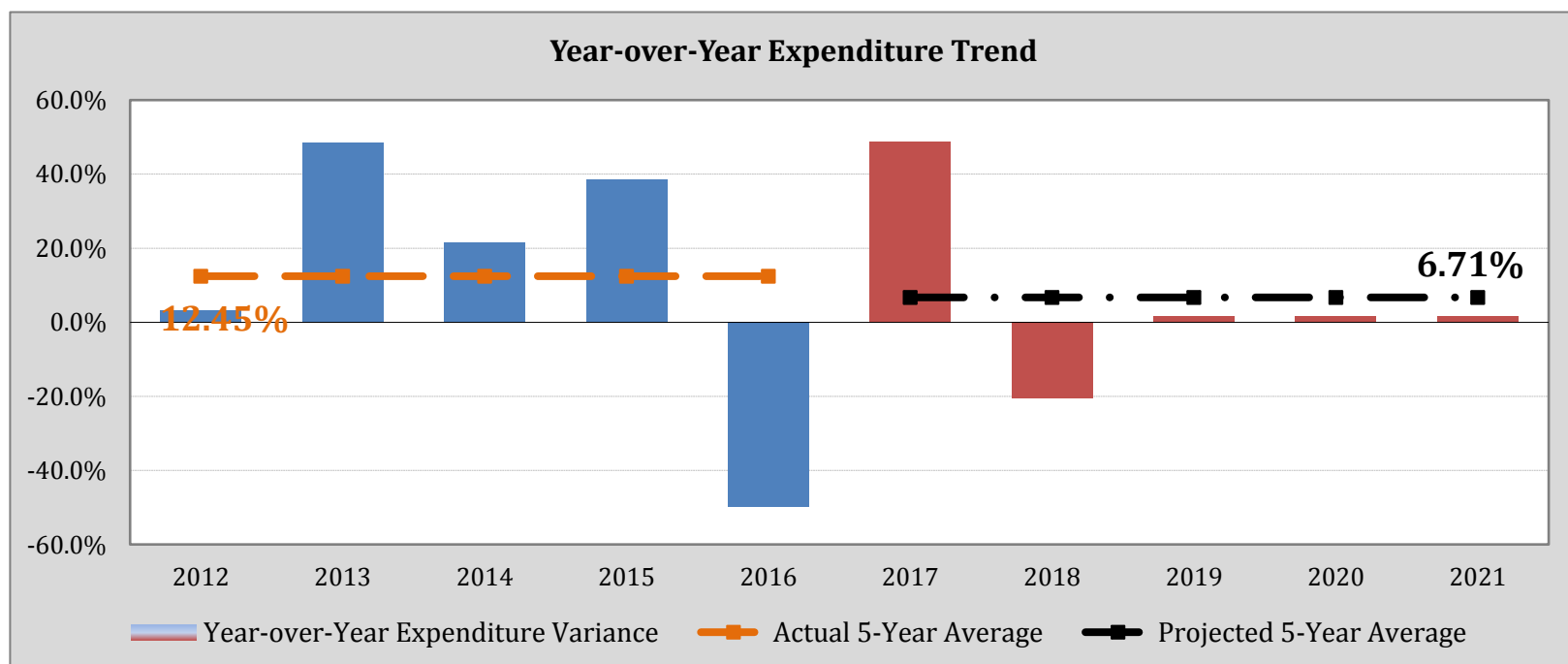
This category includes general supplies, textbooks, library books/periodicals, maintenance/custodial supplies, and transportation supplies and 1.7 % of the overall expenditures.

Over the past few years, the district has made significant textbook purchase spending. However the purchase of new textbooks did not take place. Therefore, this amount is projected to increase significantly in 2017 to \$318,500 in 2017 and then drop in the forecasted fiscal years 2018 through 2021. However, textbook purchases is projected drop significantly in 2017 and remain constant in the forecasted fiscal years.

General supply costs decreased 25% (\$325,003) in 2016. However, that amount is projected to increase slightly (16%) in 2017 based on current estimated needs and then an inflationary 2% annual increase in the forecasted fiscal years.

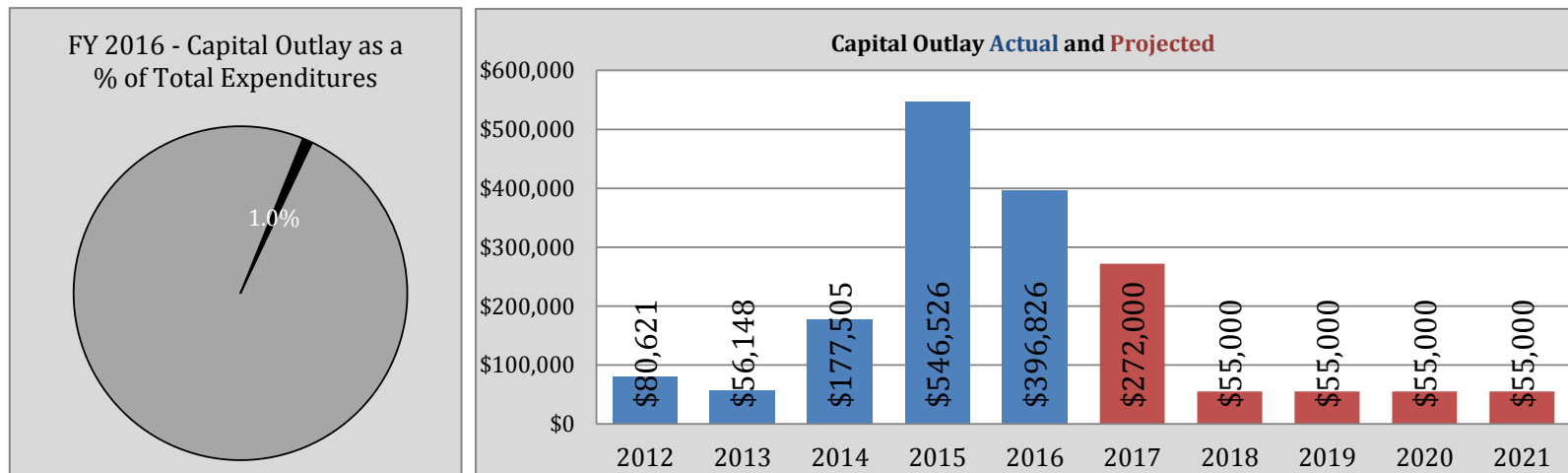
Maintenance/custodial supply costs decreased 9% (\$176,219) in 2016. That amount is projected to remain flat lined in 2017 based on current estimated needs and then an inflationary 2% annual increase in the forecasted fiscal years.

Transportation supply costs decreased 36% (\$101,067) in 2016. That amount is projected to remain flat lined in 2017 based on current estimated needs and then an inflationary 2% annual increase in the forecasted fiscal years.



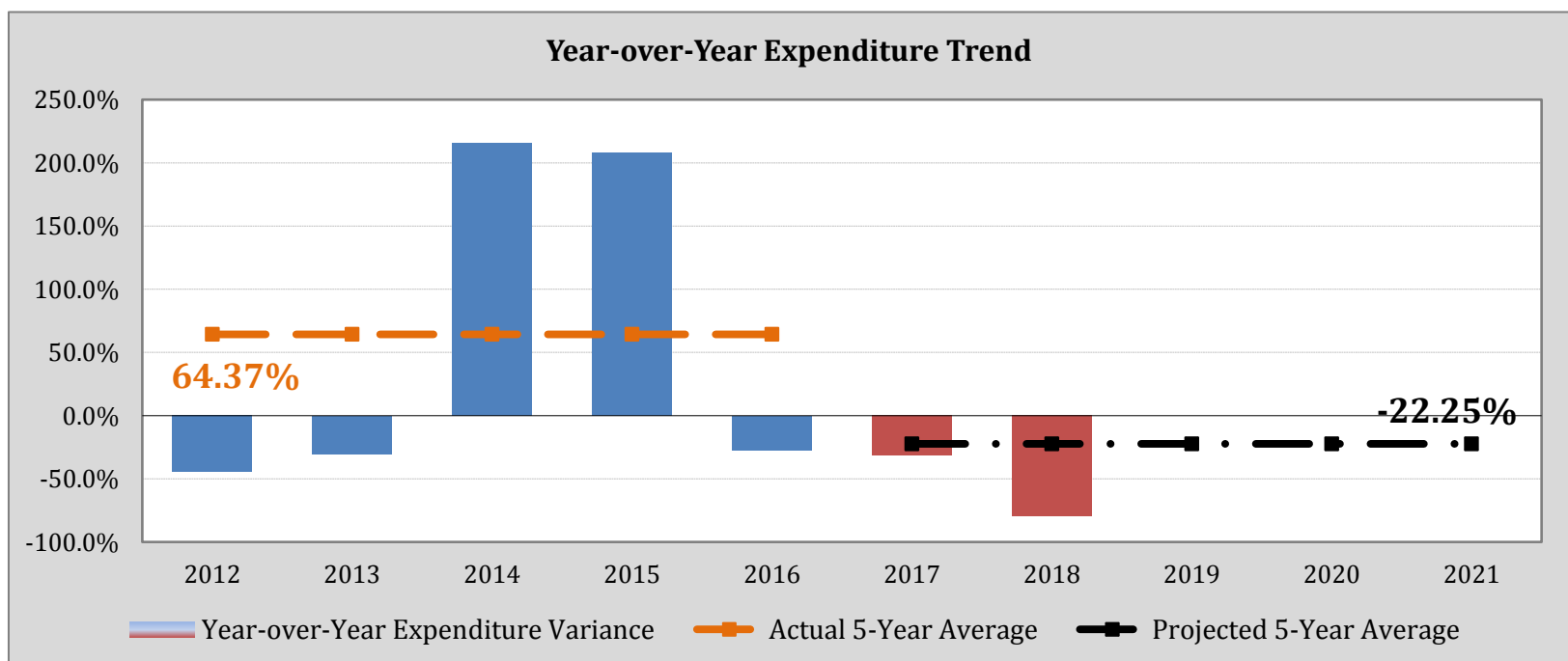
3.050 - Capital Outlay

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.



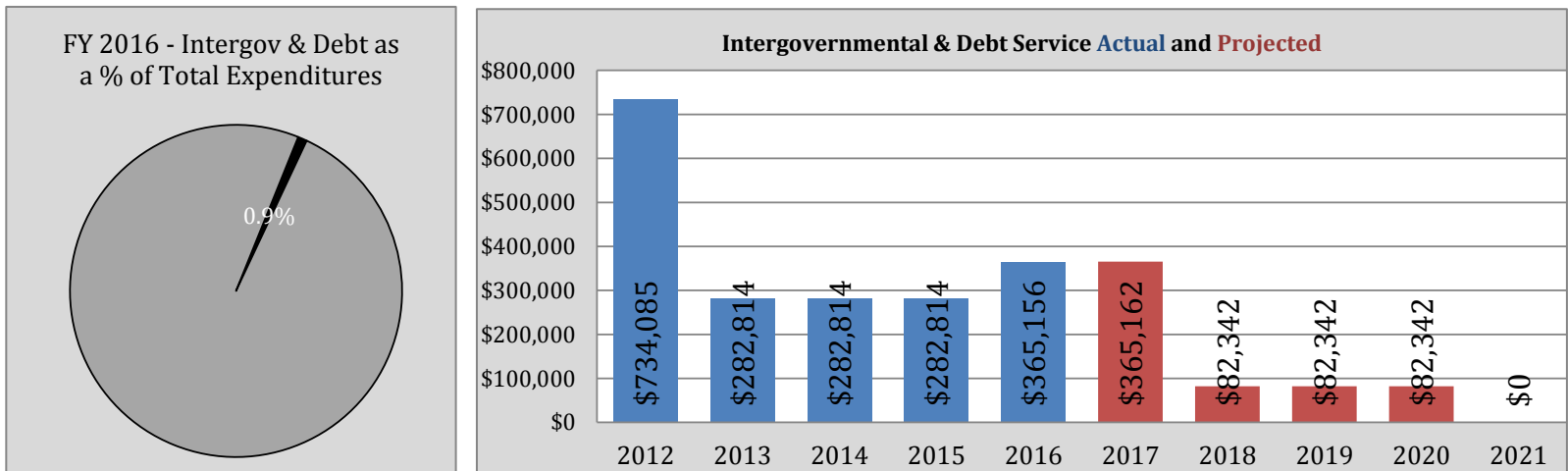
Capital outlay represent 1% of the overall expenditures and includes the purchase of new instructional equipment, special education equipment, buildings and building improvements, and vehicles/busses.

Capital Outlay saw a significant increase (11.9%) in 2016 due to the purchase of computers for state testing. We are projecting reductions to this amount in fiscal years 2017 and 2018 as short term technology equipment and vehicle needs will have been met and then remain flat lined in the remaining forecasted fiscal years.



3.060-4.060 - Intergovernmental & Debt

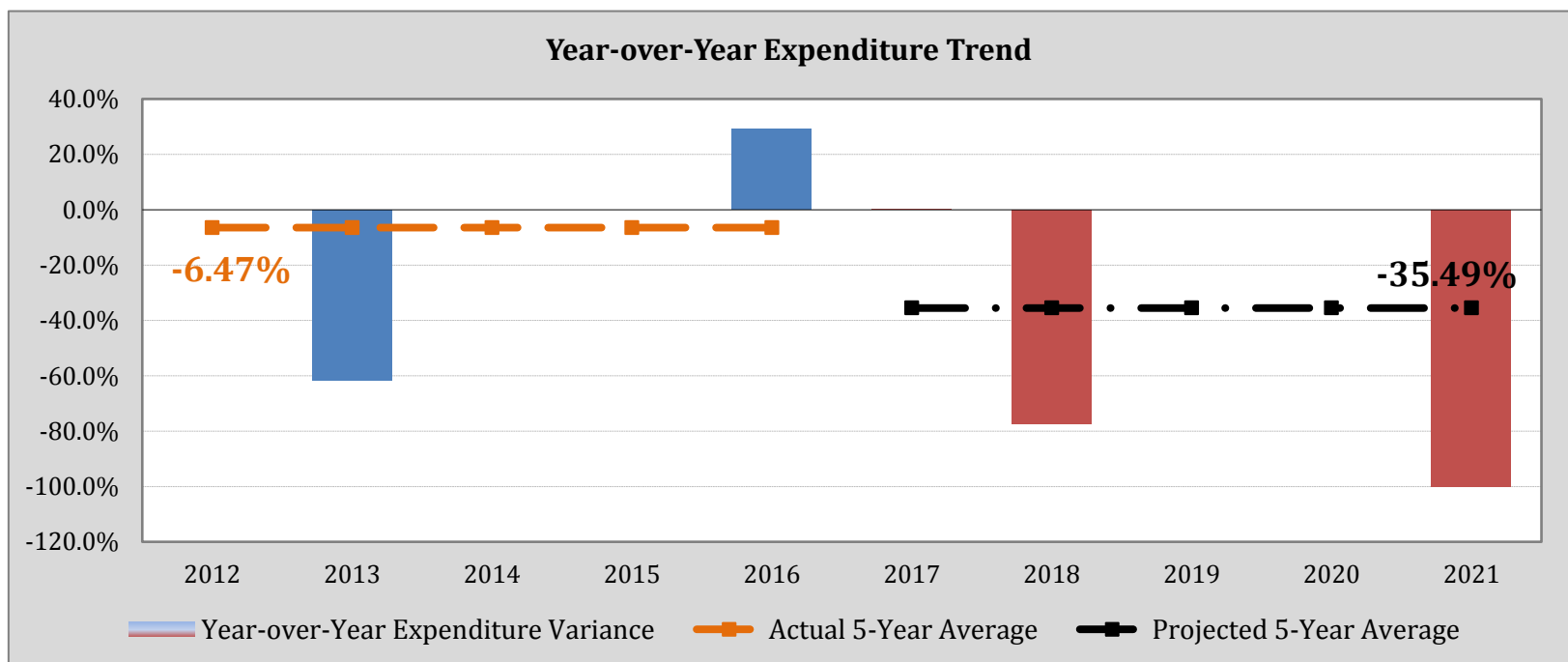
These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.



The district has three debt obligations from the General Fund. These obligations are the repayment of two Qualified Zone Academy Bonds and a Lease Purchase of equipment.

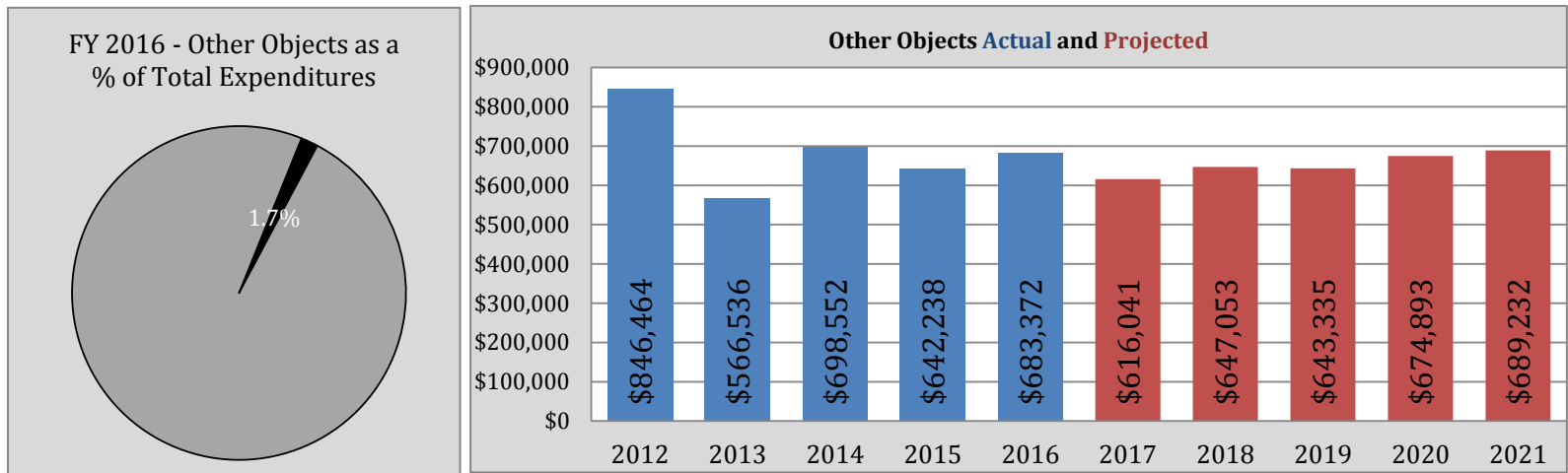
Repayment amortization schedules have been established for each of the two QZAB debt issuances of which the amounts are reflected in the forecast under Principal-Other. Both of these mature in 2017.

The lease-purchase consists of annual payments of \$82,342 of which the first payment was due in 2016. This lease-purchase is for a five year period and expires in 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.



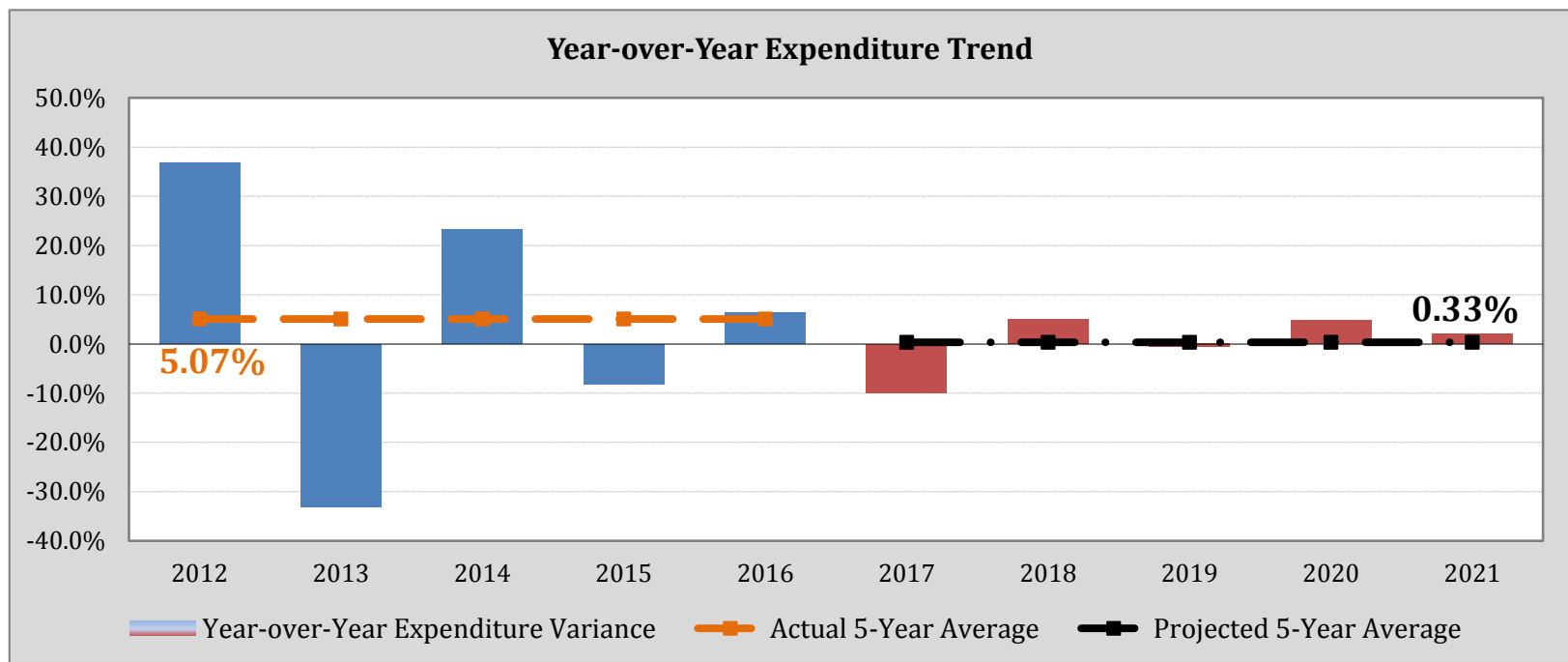
Other Objects represents 1.7% of the expenditures. This category includes Organization Dues/Fees, Audit Costs, County ESC fees, County Fiscal Office Property Tax Collection fees, Bank Charges, Board of Elections Fees, and Insurance premiums.

For fleet and general liability insurance both of which increased slightly for fiscal year 2017 (actual costs are known). These costs are projected to increase an inflationary 2% annually in the forecasted fiscal years.

The most significant of this category are the County Fiscal Office Property Tax Collection fees. These fees increased 7% in 2016 to \$463,058. Projecting a .5% increase in 2017 and then an inflationary 2% annual increase in forecasted fiscal years. Board of election costs had significant increase in 2016. These costs projected to have a corresponding significant decrease in 2017 due to it being a general election year.

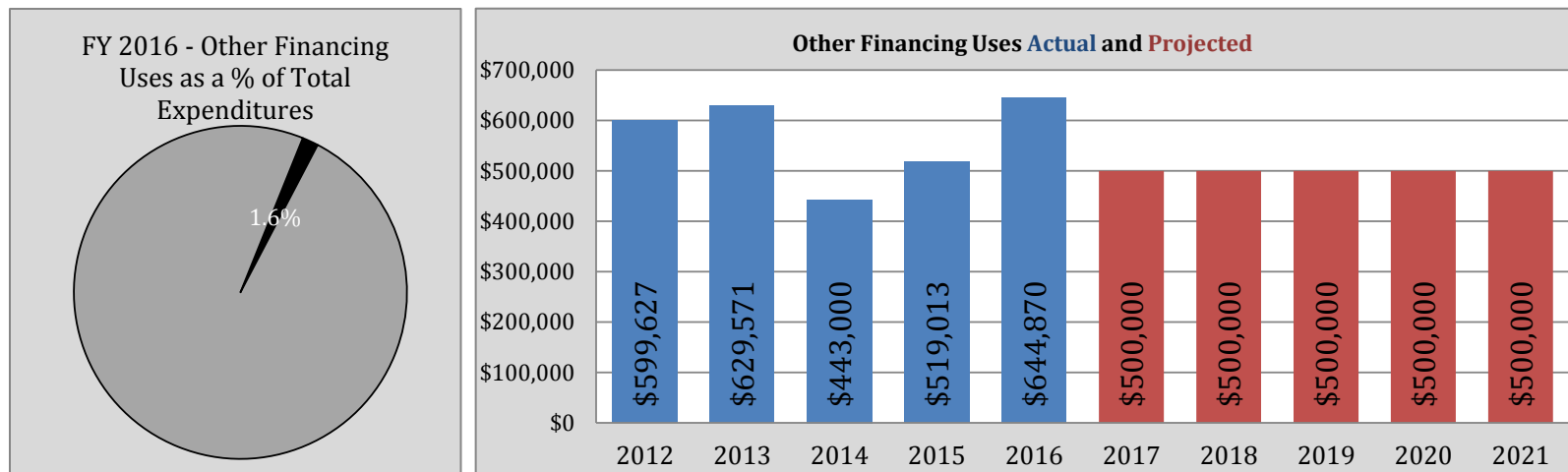
Audit costs and bank fees increased 11% in 2016. These fee are projected to remain flat lined in 2018 and then assume an inflationary 2% annual increase in the forecasted fiscal years.

Dues/fees are projected to remain flat lined over the forecasted fiscal years based on 2016 actual costs.



5.040 - Total Other Financing Uses

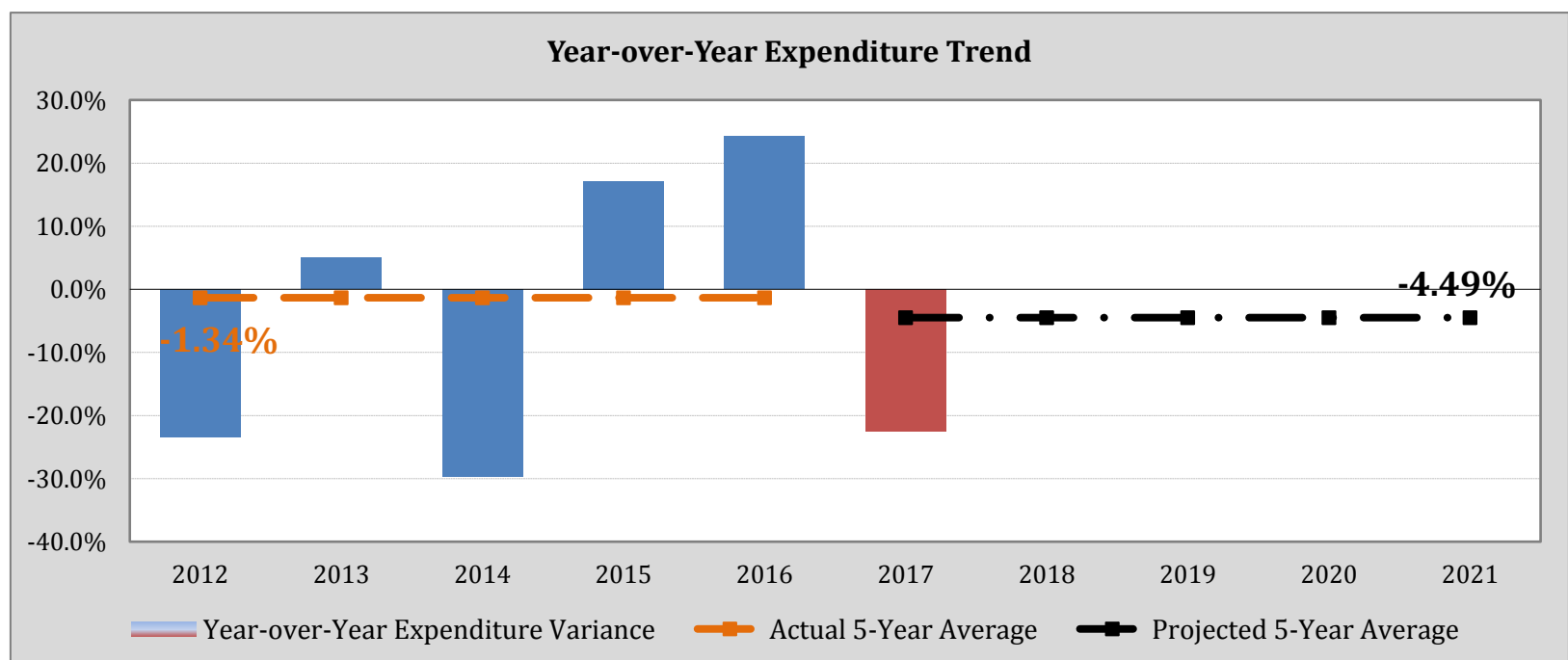
Operating transfers-out, advances out to other funds, and all other general fund financing uses.



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 is based on prior year history and anticipated needs.

Advances Out has been required in previous years to help offset fund deficits and shortfalls where future revenue is anticipated. Projected Advances Out is offset through an Advance In in the following fiscal year, thus creating no financial impact on the overall forecast. The amount is based on prior year history.



Forecast Compare

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

		Column A	Column B	Column C	Column D
		Previous Forecast Amounts For F.Y. 2017 Prepared on: 5/17/2016	Current Forecast Amounts For F.Y. 2017 Prepared on: 10/13/2016	Dollar Difference Between Previous and Current	Percent Difference Between Previous and Current
Revenue:					
1	Real Estate & Property Allocation	\$17,304,103	\$17,150,638	-\$153,465	-0.9%
2	Public Utility Personal Property	\$784,225	\$784,225	\$0	0.0%
3	Income Tax	\$0	\$0	\$0	n/a
4	State Foundation Restricted & Unrestricted	\$23,365,409	\$23,323,111	-\$42,298	-0.2%
5	Other Revenue	\$845,975	\$935,800	\$89,825	10.6%
6	Other Non Operating Revenue	\$300,000	\$475,420	\$175,420	58.5%
7	Total Revenue	\$42,599,712	\$42,669,195	\$69,483	0.2%
Expenditures:					
8	Salaries	\$23,546,556	\$23,407,140	-\$139,416	-0.6%
9	Fringe Benefits	\$8,490,056	\$8,411,464	-\$78,592	-0.9%
10	Purchased Services	\$8,029,115	\$8,034,801	\$5,686	0.1%
11	Supplies, Debt, Capital Outlay & Other	\$2,024,097	\$2,279,505	\$255,408	12.6%
12	Other Non Operating Expenditures	\$500,000	\$500,000	\$0	0.0%
13	Total Expenditures	\$42,589,824	\$42,632,910	\$43,086	0.1%
14	Revenue Over/(Under) Expenditures	\$9,888	\$36,284	\$26,396	0.1%*
15	Ending Cash Balance	\$343,975	\$804,649	\$460,674	1.1%*

*Percentage expressed in terms of total expenditures

Material Revenue Differences:

Real Estate and Property Allocation was revised based on updated valuations and delinquency collections.

Other Revenue was updated to include a revised projected increase in TIF payments from the City.

Material Expenditure Differences:

The Salaries being forecasted in 2017 are based on current staffing levels and the actual salaries/wages approved either through the negotiated agreements or the Board along with revised projections for other compensation such as substitutes/OT/severance.

Supplies and Capital Outlay increased due to a delay in textbook purchases that was pushed to 2017 and anticipated technology needs for the 2017 school year.

Garfield Heights City School District

Fiscal Year:	Actual	FORECASTED				
	2016	2017	2018	2019	2020	2021
Revenue:						
1.010 - General Property Tax (Real Estate)	14,420,503	14,379,800	12,704,348	11,130,188	11,179,358	11,217,764
1.020 - Public Utility Personal Property	732,801	784,225	705,003	616,696	616,686	618,760
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	20,018,360	21,914,226	23,002,415	24,118,775	25,285,755	26,509,000
1.040 - Restricted Grants-in-Aid	1,262,447	1,408,885	1,472,624	1,540,105	1,610,960	1,685,358
1.045 - Restricted Federal Grants - SFSF	-	-	-	-	-	-
1.050 - Property Tax Allocation	2,805,112	2,770,838	2,481,942	2,169,834	2,125,347	2,078,425
1.060 - All Other Operating Revenues	1,204,526	935,800	935,800	885,800	885,800	780,800
1.070 - Total Revenue	40,443,749	42,193,775	41,302,132	40,461,398	41,703,906	42,890,107
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	322,495	475,420	300,000	300,000	300,000	300,000
2.060 - All Other Financing Sources	1,300	-	-	-	-	-
2.070 - Total Other Financing Sources	323,795	475,420	300,000	300,000	300,000	300,000
2.080 - Total Rev & Other Sources	40,767,544	42,669,195	41,602,132	40,761,398	42,003,906	43,190,107
Expenditures:						
3.010 - Personnel Services	22,735,378	23,407,140	24,011,630	24,631,730	25,267,844	25,920,386
3.020 - Employee Benefits	7,977,038	8,411,464	8,822,035	9,262,938	9,772,756	10,317,690
3.030 - Purchased Services	7,679,323	8,034,801	8,563,174	9,130,424	9,739,539	10,393,739
3.040 - Supplies and Materials	689,621	1,026,302	815,226	829,530	844,121	859,003
3.050 - Capital Outlay	396,826	272,000	55,000	55,000	55,000	55,000
3.060 - Intergovernmental	-	-	-	-	-	-
Debt Service:						
4.010 - Principal-All Years	365,156	-	-	-	-	-
4.020 - Principal - Notes	-	-	-	-	-	-
4.030 - Principal - State Loans	-	-	-	-	-	-
4.040 - Principal - State Advances	-	-	-	-	-	-
4.050 - Principal - HB264 Loan	-	-	-	-	-	-
4.055 - Principal - Other	-	365,162	82,342	82,342	82,342	-
4.060 - Interest and Fiscal Charges	-	-	-	-	-	-
4.300 - Other Objects	683,372	616,041	647,053	643,335	674,893	689,232
4.500 - Total Expenditures	40,526,714	42,132,910	42,996,459	44,635,300	46,436,495	48,235,051
Other Financing Uses						
5.010 - Operating Transfers-Out	169,450	200,000	200,000	200,000	200,000	200,000
5.020 - Advances-Out	475,420	300,000	300,000	300,000	300,000	300,000
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	644,870	500,000	500,000	500,000	500,000	500,000
5.050 - Total Exp and Other Financing Uses	41,171,584	42,632,910	43,496,459	45,135,300	46,936,495	48,735,051
6.010 - Excess of Rev Over/(Under) Exp	(404,040)	36,284	(1,894,327)	(4,373,901)	(4,932,589)	(5,544,944)
7.010 - Cash Balance July 1 (No Levies)	1,172,405	768,365	804,649	(1,089,678)	(5,463,579)	(10,396,169)
7.020 - Cash Balance June 30 (No Levies)	768,365	804,649	(1,089,678)	(5,463,579)	(10,396,169)	(15,941,112)
8.010 - Estimated Encumbrances June 30	275,686	300,000	300,000	300,000	300,000	300,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	492,679	504,649	(1,389,678)	(5,763,579)	(10,696,169)	(16,241,112)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Income & Property Tax-Renewal	-	-	1,981,076	3,962,093	3,962,033	3,962,033
11.030 - Cumulative Balance of Levies	-	-	1,981,076	5,943,169	9,905,201	13,867,234
12.010 - Fund Bal June 30 for Cert of Obligations	492,679	504,649	591,398	179,589	(790,967)	(2,373,878)
Revenue from New Levies						
13.010 & 13.020 - Income & Property Tax-New	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	492,679	504,649	591,398	179,589	(790,967)	(2,373,878)

Three Year Forecast

	ACTUAL	PROJECTED		
	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
Revenue:				
1.010 - General Property Tax (Real Estate)	14,420,503	14,379,800	12,704,348	11,130,188
1.020 - Public Utility Personal Property	732,801	784,225	705,003	616,696
1.030 - Income Tax	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	20,018,360	21,914,226	23,002,415	24,118,775
1.040 - Restricted Grants-in-Aid	1,262,447	1,408,885	1,472,624	1,540,105
1.045 - Restricted Federal Grants-in-Aid - SFSF	-	-	-	-
1.050 - Property Tax Allocation	2,805,112	2,770,838	2,481,942	2,169,834
1.060 - All Other Operating Revenues	1,204,526	935,800	935,800	885,800
1.070 - Total Revenue	40,443,749	42,193,775	41,302,132	40,461,398
2.070 - Total Other Financing Sources	323,795	475,420	300,000	300,000
2.080 - Total Revenues and Other Financing Sources	40,767,544	42,669,195	41,602,132	40,761,398
Expenditures:				
3.010 - Personnel Services	22,735,378	23,457,140	24,062,921	24,684,346
3.020 - Employees' Retirement/Insurance Benefits	7,977,038	8,419,764	8,830,600	9,271,594
3.030 - Purchased Services	7,679,323	8,034,801	8,563,174	9,130,424
3.040 - Supplies and Materials	689,621	1,026,302	815,226	829,530
3.050 - Capital Outlay	396,826	272,000	55,000	55,000
3.060 - Intergovernmental	-	-	-	-
4.010 - 4.060 - Principal, Interest & Fiscal Charges	365,156	365,162	82,342	82,342
4.300 - Other Objects	683,372	616,041	647,053	643,335
4.500 - Total Expenditures	40,526,714	42,191,210	43,056,316	44,696,571
5.040 - Total Other Financing Uses	644,870	500,000	500,000	500,000
5.050 - Total Expenditures and Other Financing Uses	41,171,584	42,691,210	43,556,316	45,196,571
Excess of Rev & Other Financing Uses Over (Under)				
6.010 - Expenditures and Other Financing Uses	(404,040)	(22,016)	(1,954,184)	(4,435,173)
Cash Balance July 1 - Excluding Proposed Renewal/				
7.010 - Replacement and New Levies	1,172,405	768,365	746,349	(1,207,835)
7.020 - Cash Balance June 30	768,365	746,349	(1,207,835)	(5,643,007)
8.010 - Estimated Encumbrances June 30	275,686	300,000	300,000	300,000
9.080 - Subtotal - Reservation of Fund Balance	-	-	-	-
Fund Balance June 30 for Certification				
10.010 - of Appropriations	492,679	446,349	(1,507,835)	(5,943,007)
11.030 - Cumulative Balance of Replacement/Renewal Levies	-	-	1,981,076	5,943,169
Fund Balance June 30 for Certification				
12.010 - of Contracts, Salary and Other Obligations	492,679	446,349	473,241	161
13.030 - Cumulative Balance of New Levies	-	-	-	-
14.010 - Revenue from Future State Advancements	-	-	-	-
15.010 - Unreserved Fund Balance June 30	492,679	446,349	473,241	161

Three Year Percent Changes - Three Year Average

	Prev. 3-Year Avg. Annual Change	PROJECTED			3-Year Avg. Annual Change
		Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	
Revenue:					
1.010 - General Property Tax (Real Estate)	3.27%	-0.28%	-11.65%	-12.39%	-8.11%
1.020 - Public Utility Personal Property	13.79%	7.02%	-10.10%	-12.53%	-5.20%
1.030 - Income Tax	n/a	n/a	n/a	n/a	n/a
1.035 - Unrestricted Grants-in-Aid	5.95%	9.47%	4.97%	4.85%	6.43%
1.040 - Restricted Grants-in-Aid	527.52%	11.60%	4.52%	4.58%	6.90%
1.045 - Restricted Federal Grants-in-Aid - SFSF	-100.00%	n/a	n/a	n/a	n/a
1.050 - Property Tax Allocation	4.33%	-1.22%	-10.43%	-12.58%	-8.07%
1.060 - All Other Operating Revenues	9.73%	-22.31%	0.00%	-5.34%	-9.22%
1.070 - Total Revenue	5.62%	4.33%	-2.11%	-2.04%	0.06%
2.010 - Proceeds from Sale of Notes	n/a	n/a	n/a	n/a	n/a
2.020 - State Emergency Loans and Advancements	n/a	n/a	n/a	n/a	n/a
2.040 - Operating Transfers-In	n/a	n/a	n/a	n/a	n/a
2.050 - Advances-In	17.81%	47.42%	-36.9%	0	3.51%
2.060 - All Other Financing Sources	-2.71%	-100.00%	n/a	n/a	-100.00%
2.070 - Total Other Financing Sources	17.67%	46.83%	-36.9%	0	3.31%
2.080 - Total Revenues and Other Financing Sources	5.43%	4.66%	-2.50%	-2.02%	0.05%
Expenditures:					
3.010 - Personnel Services	4.30%	3.17%	2.58%	2.58%	2.78%
3.020 - Employees' Retirement/Insurance Benefits	3.73%	5.55%	4.88%	4.99%	5.14%
3.030 - Purchased Services	10.84%	4.63%	6.58%	6.62%	5.94%
3.040 - Supplies and Materials	3.47%	48.82%	-20.57%	1.75%	10.00%
3.050 - Capital Outlay	132.21%	-31.46%	-79.78%	0.00%	-37.08%
3.060 - Intergovernmental	n/a	n/a	n/a	n/a	n/a
4.010 - 4.060 - Principal, Interest & Fiscal Charges	9.71%	0.00%	-77.45%	0.00%	-25.82%
4.300 - Other Objects	7.22%	-9.85%	5.03%	-0.57%	-1.80%
4.500 - Total Expenditures	5.48%	4.11%	2.05%	3.81%	3.32%
5.010 - Operating Transfers-Out	-5.20%	18.03%	0.00%	0.00%	6.01%
5.020 - Advances-Out	12.76%	-36.90%	0.00%	0.00%	-12.30%
5.030 - All Other Financing Uses	n/a	n/a	n/a	n/a	n/a
5.040 - Total Other Financing Uses	3.92%	-22.46%	0.00%	0.00%	-7.49%
5.050 - Total Expenditures and Other Financing Uses	5.40%	3.69%	2.03%	3.77%	3.16%
Excess of Rev & Other Financing Uses Over (Under)					
6.010 - Expenditures and Other Financing Uses	-211.97%	-94.55%	8776.37%	126.96%	2936.26%
Cash Balance July 1 - Excluding Proposed Renewal/					
7.010 - Replacement and New Levies	20.17%	-34.46%	-2.87%	-261.83%	-99.72%
7.020 - Cash Balance June 30	18.62%	-2.87%	-261.83%	367.20%	34.17%