

BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT OCTOBER 2015 FIVE-YEAR FINANCIAL FORECAST AND EDUCATIONAL PLAN "MAJOR ASSUMPTIONS"

SUMMARY: FY16 Deficit Spend of <\$560K> is increased from \$400K in May 2015 FCST due primarily to revisions to real estate and public utility tax estimated receipts, and Fund Balance of \$9.4M is \$140K from May 2015 FCST. Additional FY15 carryover cash balance and slightly reduced expenditures for FY16 offsets anticipated tax revenue losses in FY16. FY19 Forecasted Deficit Spend is <\$3.9M> with a Fund Balance of \$600K, which is <\$5.1M> reduced from May 2015 FCST primarily due to elimination of \$1.7M annually beginning FY17 and out years of State funding for Tangible Personal Property (TPP) reimbursements. Favorable impacts vs the May 2015 FCST are shown as positive numbers and unfavorable impacts in brackets. Four-year comparisons through FY19 are noted since May 2015 FCST only extended through FY19.

REVENUES

General Property Tax (Real Estate) (\$30.3M Total)

- All levies are continuing.
- No new money levies are included.
- Voted millage revenues remain flat due to House Bill 920.
- Tax collection rate is 96.8% for 2016 and 97.1% for all future FCST years. Actual collection rates for recent years are: 2012: 98.1%; 2013: 97.7%; 2014: 96.9%; and 2015: 94.5%. This four-year average collection rate is 96.8%.
- 3% projected valuation increases in 2015 (collection year 2016) and 2018 (collection year 2019) reappraisal years.
- Overall impact vs May FCST is <\$670K> decrease in FY16 and <\$2.1M> unfavorable over first four years of FCST period due to reduced collections from tax valuation challenge refunds for prior tax years and lower collection percentage.

Tangible Personal Property Tax (\$1.9M Total)

- Only receive revenue in this category from public utilities infrastructure.
- Overall impact vs May FCST is <\$122K> in FY16 and <\$332K> over first four years of FCST period due to additional collections in FY16 of FY15 tax revenues and slight reduction in anticipated tax valuation growth.

Unrestricted Grants In Aid (\$5.3 M Total)

- FY16 Foundation estimate based on current calculation from Ohio Department of Education.
- FY17 same as FY16. FY18 and out years reduced 2% due to anticipated phase-out of "guarantee" funding from State in next budget bill.
- Casino (State) revenues of \$200K for FY16, with slight decline in out years due to enrollment declines. Based on \$50.50 per pupil estimate.
- Pre-kindergarten special education funding reduced \$54K in late-FY15 and carries forward to FY16 and out years.
- Overall impact vs May FCST is <\$55K> in FY16 and <\$400K> over first four years of FCST period.

Restricted Grants In Aid (\$4M Total)

- FY15 special education catastrophic aid reimbursement reduced \$67K from FY14. FY16 and out years flat to FY15.
- FY15 revenue increase shown caused by receipt in FY15 of both 2012/13 and 2013/14 catastrophic aid reimbursement due to timing of payments from ODE.
- Overall impact vs May FCST is <\$67K> in FY16 and <\$268K> over first four years of FCST period.

Property Tax Allocation (\$5.7M Total)

- TPP reimbursement of \$1.7M in FY16, then eliminated in FY17 and out years by Governor's veto of provision in State budget bill to continue this funding at FY15 levels.
- Homestead and rollback funding from State flat to FY15.
- Overall impact vs May FCST is \$0 in FY16 and <\$5.2M> over first four years of FCST period.

All Other Operating Revenues (\$1.8M Total)

- Categories include Participation Fees, Interest, Parking, Administrative Fees, Medicaid Reimbursements, and Rentals/Field Trips/Miscellaneous, with slight increases in FY16 and out years for interest earnings, Medicaid reimbursements, and all-day K tuition.
- PILOT payments (timing and amounts) from City of Broadview Heights for Heritage and South Hills 9100 and 9300 buildings are updated.
- Overall impact vs May FCST of \$54K in FY16 and \$70K over first four years of FCST period.

Other Financing Sources (\$.04M Total)

- This accounts for the return of temporary cash advances to student resale accounts.
- Advance amount needed to cover mid-year cash flow deficit reduced from prior years. Offsetting reduction in expenditures reported in "All Other Financing Uses."
- Overall impact vs May FCST of <\$70K> in FY16 and <\$280K> over first four years of FCST period.

EXPENDITURES

Personnel Services (Salaries/Wages) (\$29.1M Total)

- Staff head count remains flat for all forecast years.
- No base increase for all forecast years.
- Longevity steps omitted for FY14 through FY16 and return to historical rate in FY17.
- Educational steps included for all fiscal years at historical rate.
- Attrition replacement savings from 2015 retired/resigned employees included for FY16 and out years.
- Estimated four retirements factored for FY17 through FY20. Replacement staff assumed to be at Masters, 5 year level. Severance payments reduced to align to fewer retirements.
- Overall impact vs May FCST is <\$13K> in FY16 and \$746K favorable over first four years of FCST period.

Employees' Retirement/Insurance Benefits (\$9.6M Total)

- No increase in insurance costs for FY15; 4.55% increase for medical and prescription, and no increase for dental, for FY16; one-month premium holiday for dental insurance in FY16 and FY17; 8% per year increase for medical and prescription, and 3% for dental, estimated in FY17 and out years.
- FY16 and out years insurance costs reduced due to non-compounding of projected 10% increases in FY15 and FY16 carried in May FCST.
- Changes in insurance coverage selected by new hires reflected for FY16 and out years.
- Additional insurance fte due to transportation hours increase from reinstatement of half-day, every day kindergarten model included for FY16 and out years.
- Salary-related costs for retirement, medicare, and workers' compensation reduced in FY17 and out years due to salary estimate reductions.
- Impact of Negotiations on Insurance are constant for the forecast period.
 - Medical Plan 1a, spousal enrollment, and 15% employee premium share effective 11/1/12 are included.
- Overall impact vs May FCST is \$37K in FY16 and \$837K favorable over first four years of FCST period.

Purchased Services (\$4.7M Total)

- Based upon FY16 budgets with 2% inflation.
- Utilities reflect volume for a “normal” winter severity and current unit costs.
- Reduced natural gas costs for FY16 due to reduced pricing from Ohio Schools’ Council co-op and reduced electricity costs for FY16 and out years due to EUS transformer replacement included.
- Overall impact vs May FCST is \$83K in FY16 and \$482K favorable over first four years of FCST period.

Supplies and Materials (\$1.1M Total)

- Based upon FY16 budgets with 2% inflation.
- No change to May FCST.

Capital Outlay (\$.2M Total)

- Based upon FY16 budgets with 1% inflation.
- Overall impact vs May FCST is \$30K in FY16 and \$120K favorable over first four years of FCST period.

Other Objects (\$.8M Total)

- Based upon FY16 budgets with 2% inflation.
- No change to May FCST.

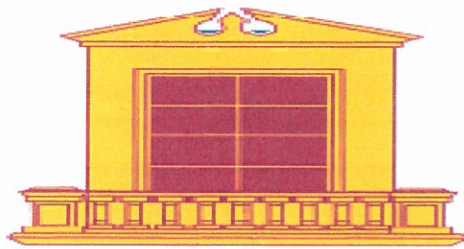
Other Financing Uses (\$.3M Total)

- \$15,000 for CAPA support.
- \$234,325 for House Bill 264 Bonds debt repayment.
- \$26,000 to offset School Funds for workbooks purchased for students receiving free/reduced lunch fees waiver.
- \$25,000 for turf replacement fund due to general fund maintenance savings.
- \$40,000 for temporary advance for startup funds to purchase workbooks for each ensuing school year.
- Advance amount needed to cover mid-year cash flow deficit reduced from prior years. Offsetting reduction in revenues reported in “All Other Financing Sources.”
- Overall impact vs May FCST of \$70K in FY16 and \$280K over first four years of FCST period.

“Upside/Downside” Items That Could Impact Forecast (Dollars Shown in Thousands Per Year)

Item (Impact shown is per year)	Upside	Downside	Probability	Comments
5 Mills (Place Holder) New Money Levy Passed	\$5,000			\$2.5M in FY passed, \$5M thereafter
1% Base Salary Change (includes fixed fringes)		\$350		Current contracts expire 6/30/16
Pay to Participate Fees Revert to 80%		\$100		Currently 100% user paid with student cap of HS \$1,000/MS \$600 (assumes \$500K total)
10% Change in Longevity Steps (includes fixed fringes)	\$52	\$52		Current contracts expire 6/30/16
1% Change in Real Estate Tax Collection Rate	\$300	\$300	High	Actual collection rates for CY12: 98.1%; CY13: 97.7%; CY14: 96.9%; CY15: 94.5%. Estimate for CY 16 is 96.8% and 97.1% for CY18 and out years
Strategic Vision Plan Initiatives		\$100	High	Amount TBD as Plan reviewed by BOE, \$100 is Place Holder Amount
1% Property Valuation Change	\$47	\$47	High	Inside Millage Only, Triennial Update in TY15(CY16)
1% Change in Insurance Premium	\$45	\$45	High	FCST uses 8% per annum for medical and prescription, 3% for dental
Each Teacher Retirement more/less than 4	\$40	\$40	High	
State Foundation Program Revisions	\$102	\$102	Med	2% or <2>% vs current 2% reduction for FY18/19 State budget
10% Reduction in Student Activity Participation		\$50	Med	Due to 100% user paid (assumes \$500K total)
1% Change in Purchased Services	\$47	\$47	Med	Impacted by utility rates, gas/fuel prices, special education and other educational services/providers
10% Change in Special Education Catastrophic Reimbursement from State	\$34	\$34	Med	Reimbursement amount increased significantly to \$408K for FY13 and reduced to \$341K for FY14
+/- 10% Casino Revenue Sharing	\$20	\$20	Med	Subject legislation, casino success
1% Change in Supplies/Materials	\$10	\$10	Med	
1% Change in Other Expenditures	\$8	\$8	Med	
All-Day Kindergarten Becomes Unfunded Mandate		\$400	Low	Currently cost neutral
10% TPP Reimbursement Reinstatement	\$171		Low	Impacts FY17 and out years if any reinstatement occurs as current law reduces this funding source to 0 in FY17

Please visit the Ohio Department of Education website at <ftp://ftp.ode.state.oh.us/geodoc/5-yrForecast/>.



**BRECKSVILLE-BROADVIEW HEIGHTS
CITY SCHOOL DISTRICT - -
CUYAHOGA COUNTY**

Financial Report
Five Year Forecast
October, 2015



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Forecast Purpose/Objectives

Ohio Department of Education's purposes/objectives for the five-year forecast are:

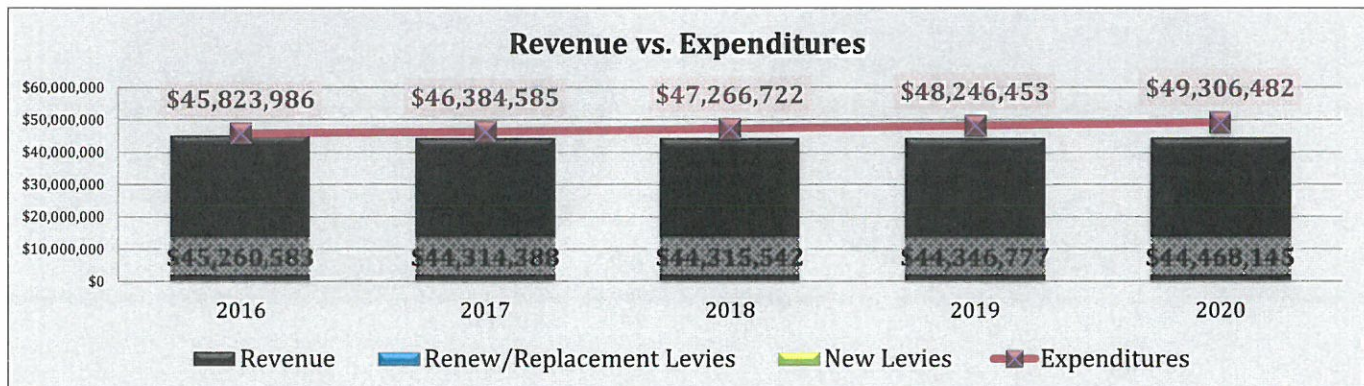
1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate.
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

Executive Summary

	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Beginning Balance	10,103,700	9,540,297	7,470,101	4,518,920	619,244
+ Revenue	45,260,583	44,314,388	44,315,542	44,346,777	44,468,145
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(45,823,986)	(46,384,585)	(47,266,722)	(48,246,453)	(49,306,482)
= Revenue Surplus or Deficit	(563,403)	(2,070,196)	(2,951,181)	(3,899,676)	(4,838,337)
Ending Balance	9,540,297	7,470,101	4,518,920	619,244	(4,219,093)
Revenue Surplus or Deficit w/o Levies	(563,403)	(2,070,196)	(2,951,181)	(3,899,676)	(4,838,337)
Ending Balance w/o Levies	9,540,297	7,470,101	4,518,920	619,244	(4,219,093)

Executive Summary:

FY16 Deficit Spend of <\$560K> is increased from \$400K in May 2015 FCST due primarily to revisions to real estate and public utility tax estimated receipts, and Fund Balance of \$9.4M is \$140K from May 2015 FCST. Additional FY15 carryover cash balance and slightly reduced expenditures for FY16 offsets anticipated tax revenue losses in FY16. FY19 Forecasted Deficit Spend is <\$3.9M> with a fund balance of \$600K, which is <\$5.1M> reduced from May 2015 FCST primarily due to elimination of \$1.7M annually beginning FY17 and out years of State funding for Tangible Personal Property (TPP) reimbursements. Favorable impacts vs the May 2015 FCST are shown as positive numbers and unfavorable impacts in brackets. Four-year comparisons through FY19 are noted since May 2015 FCST only extended through FY19.



Revenue Overview

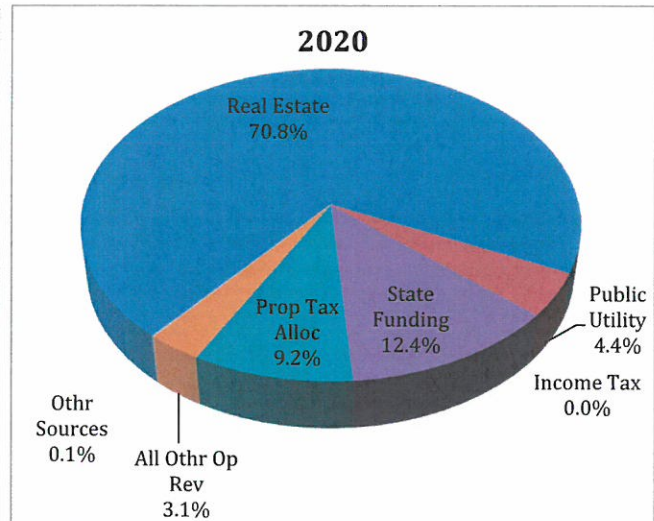
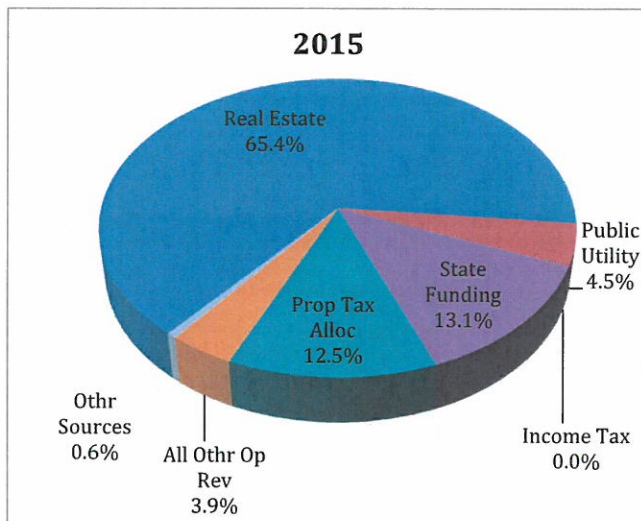
	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	
Revenue:							
1.010 - Real Estate	-0.49%	0.89%	2.49%	0.36%	0.43%	0.41%	0.92%
1.020 - Public Utility	4.79%	-9.32%	5.80%	0.00%	0.00%	0.00%	-0.70%
1.030 - Income Tax	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1.035 - State Funding	0.57%	0.27%	-0.16%	-1.88%	-0.05%	-0.08%	-0.38%
1.040 - Restr Aid	976.90%	-53.85%	-0.01%	-0.01%	-0.01%	-0.01%	-10.78%
1.045 - Restr Federal SFSF	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1.050 - Property Tax Alloc	-6.09%	0.12%	-29.57%	0.20%	0.40%	0.40%	-5.69%
1.060 - All Other Operating F	29.67%	-8.75%	-6.23%	-1.35%	-7.71%	-1.42%	-5.09%
1.070 - Total Revenue	-0.37%	-1.04%	-2.09%	0.00%	0.07%	0.27%	-0.56%
2.070 - Total Other Financin	15.16%	-84.68%	0.00%	0.00%	0.00%	0.00%	-16.94%
2.080 - Total Revenues and Ot	-0.35%	-1.51%	-2.09%	0.00%	0.07%	0.27%	-0.65%

Notes & Assumptions:

Property tax collections are not materializing as forecast in May 2015 FCST, thus are adjusted for this FCST. Tax collection rate in 2012 was 98.1% and declined to 94.5% in 2015. FCST assumes 96.8% collection rate for FY16 and 97.1% for FY17 and out years. The four-year average collection rate from 2012 through 2015 was 96.8%.

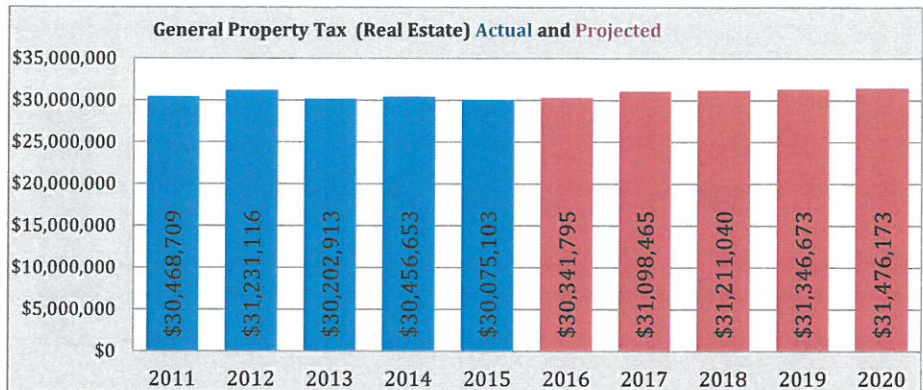
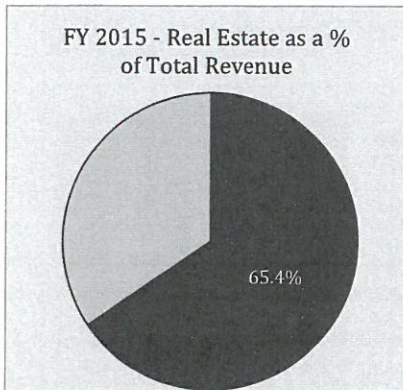
TPP Reimbursement State funding reduced by \$1.7M annually beginning FY17 and out years due to Governor's veto of provision in State budget bill to continue this funding at FY15 levels.

See "Notes & Assumptions" for each revenue item for more detailed assumptions used for this FCST.



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).



Notes & Assumptions:

General Property Tax (Real Estate) accounts for 65.4% (\$30.3M Total) of FY16 District revenues.

All levies are continuing.

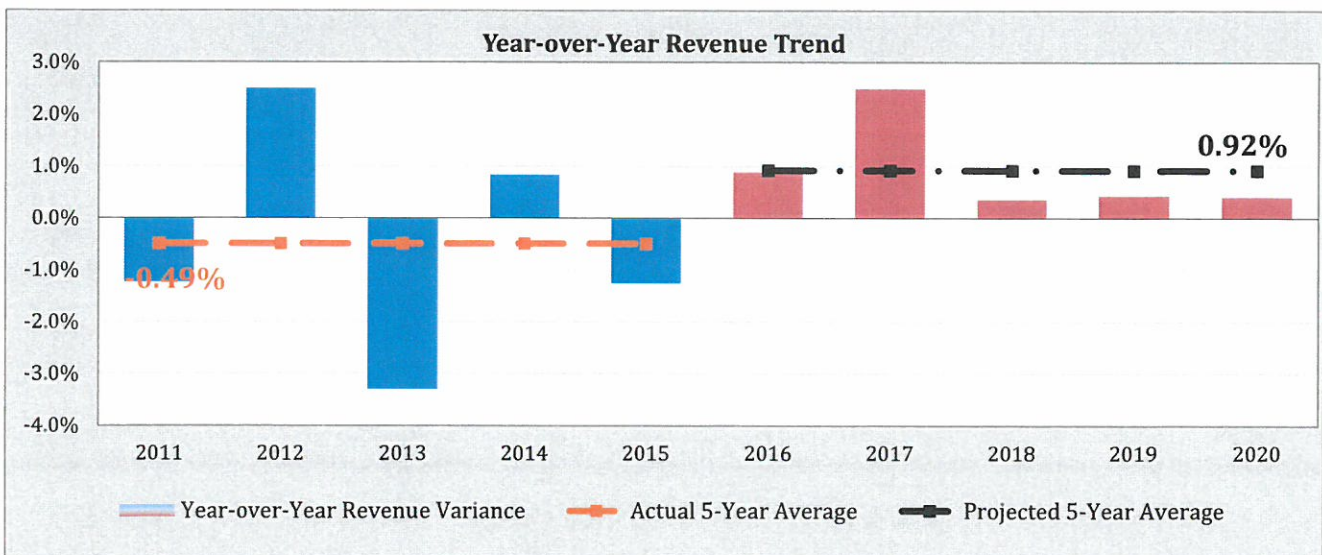
No new money levies are included.

Voted millage revenues remain flat due to House Bill 920.

Tax collection rate is 96.8% for 2016 and 97.1% for all future FCST years. Actual collection rates for recent years are: 2012: 98.1%; 2013: 97.7%; 2014: 96.9%; and, 2015: 94.5%. This four-year average collection rate is 96.8%.

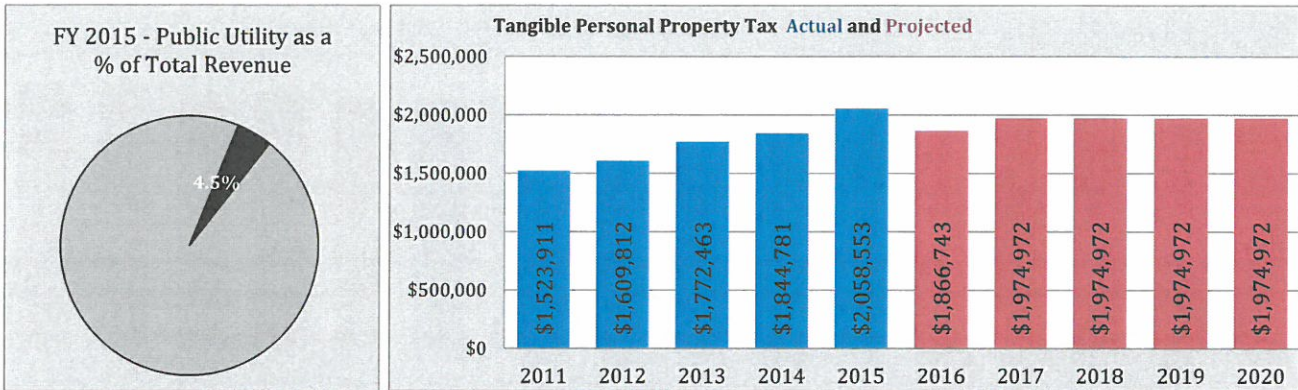
3% projected valuation increases in 2015 (collection year 2016) and 2018 (collection year 2019) reappraisal years.

Overall impact vs May FCST is <\$670K> decrease in FY16 and <\$2.1M> unfavorable over first four years of FCST period due to reduced collections from tax valuation challenge refunds for prior tax years and lower collection percentage.



1.020 - Public Utility Personal Property

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

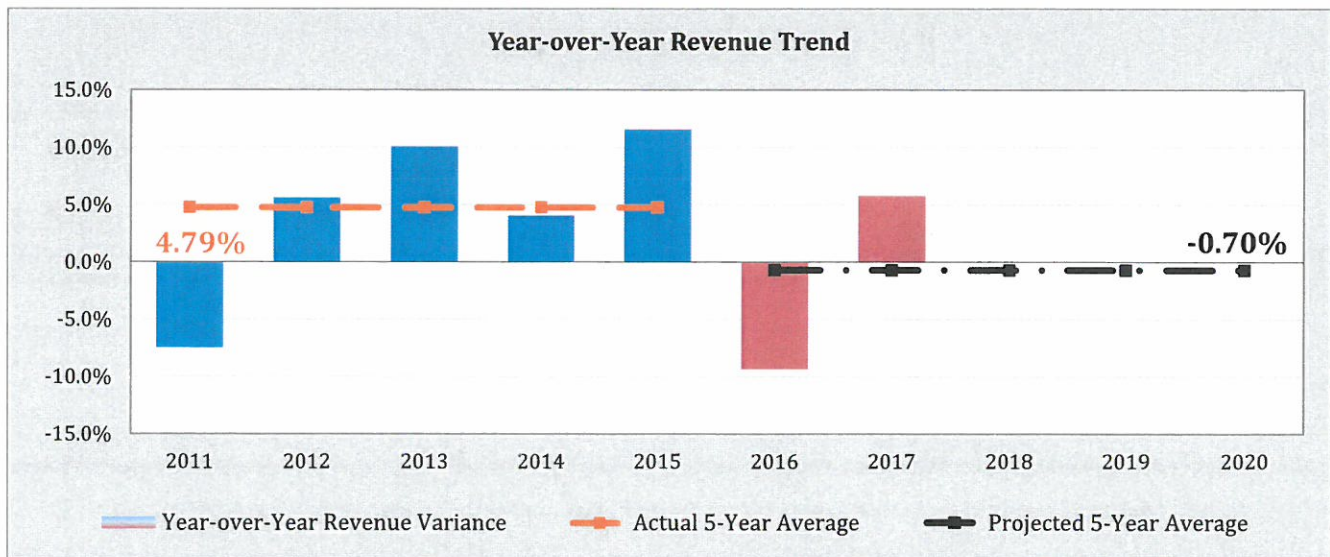


Notes & Assumptions:

Public Utility Personal Property tax accounts for 4.5% (\$1.9M Total) of FY16 District revenues.

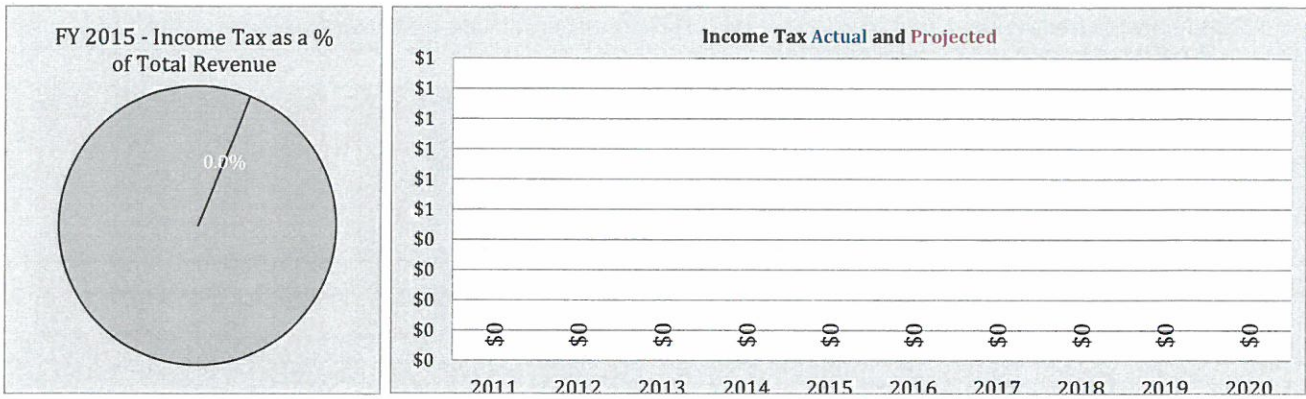
Only receive revenue in this category from public utilities infrastructure.

Overall impact vs May FCST is <\$122K> in FY16 and <\$332K> over first four years of FCST period due to additional collections in FY16 of FY15 tax revenues and slight reduction in anticipated tax valuation growth.

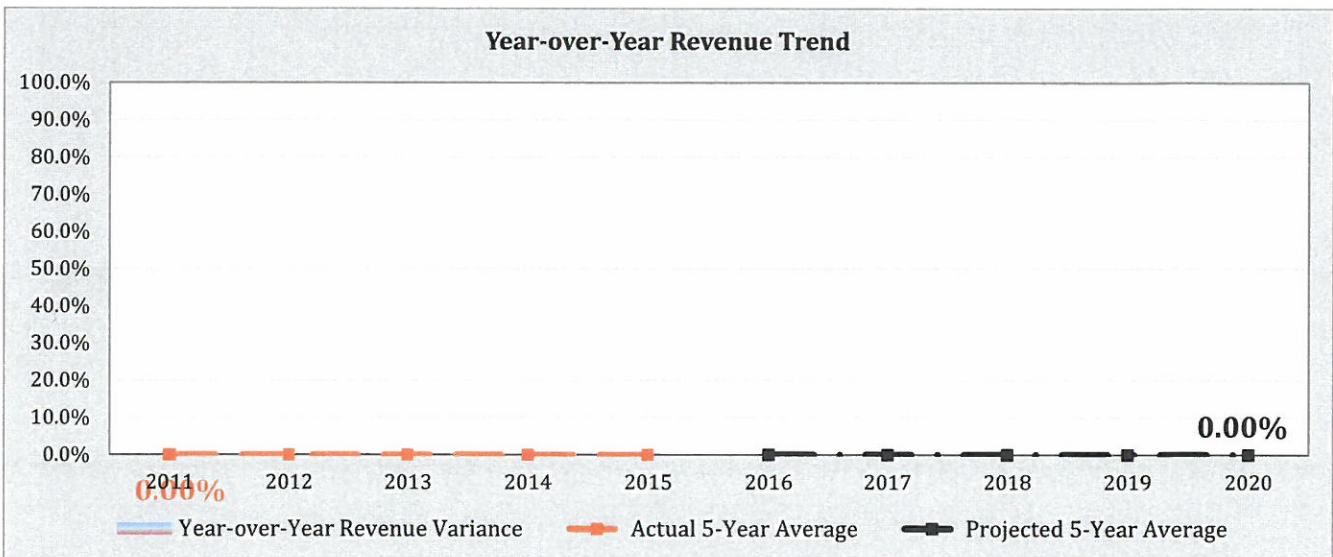


1.030 - Income Tax

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.

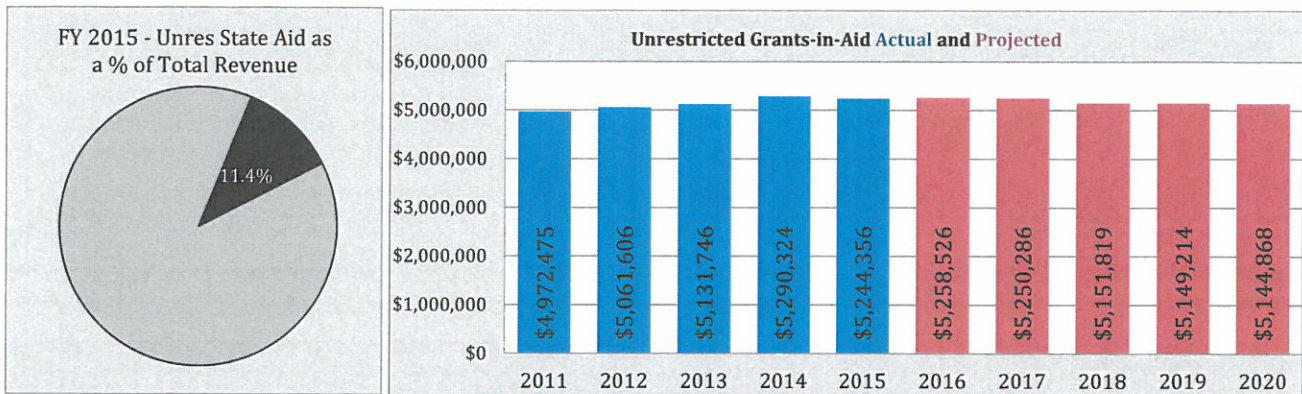


Notes & Assumptions:



1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



Notes & Assumptions:

Unrestricted Grants-in-Aid accounts for 11.4% (\$5.3M Total) of FY16 District revenues.

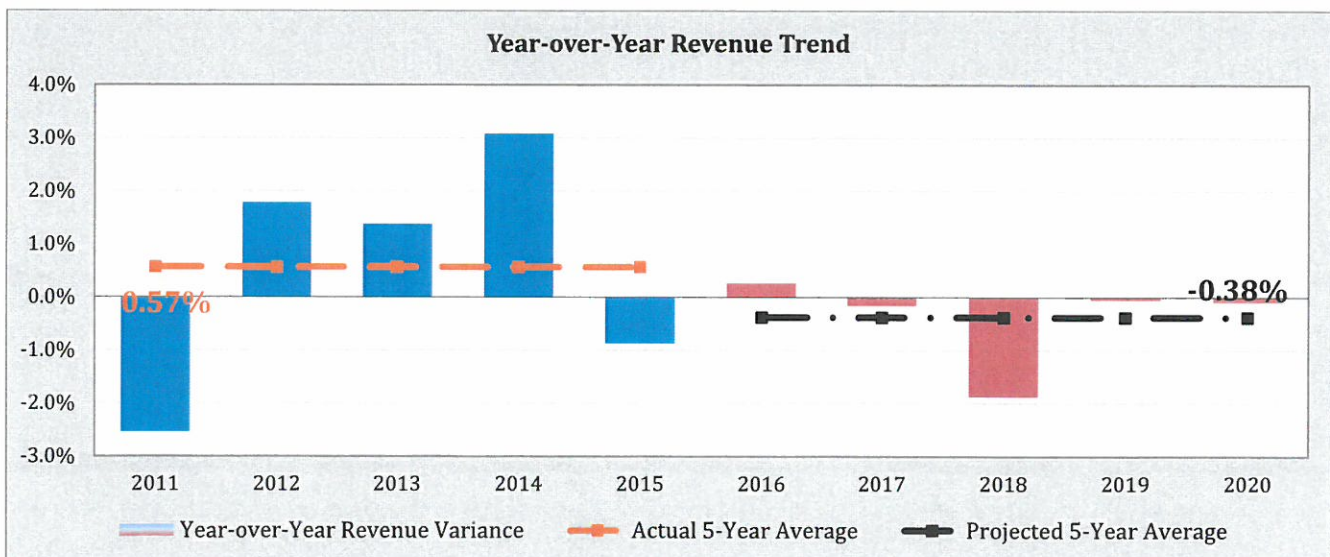
FY16 Foundation estimate based on current calculation from Ohio Department of Education.

FY17 same as FY16. FY18 and out years reduced 2% due to anticipated phase-out of "guarantee" funding from State in next budget bill.

Casino (State) revenues of \$200K for FY16, with slight decline in out years due to enrollment declines. Based on \$50.50 per pupil estimate.

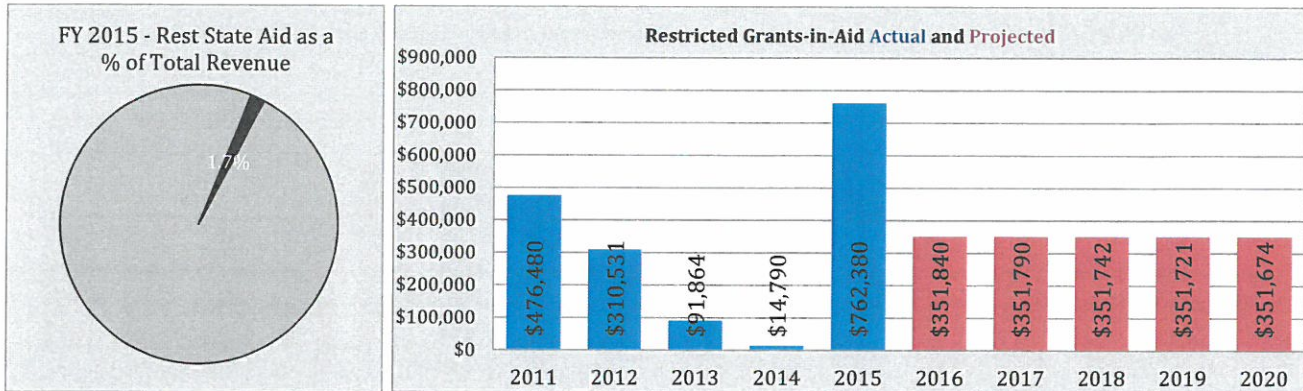
Pre-kindergarten special education funding reduced \$54K in late-FY15 and carries forward to FY16 and out years.

Overall impact vs May FCST is <\$55K> in FY16 and <\$400K> over first four years of FCST period.



1.040 & 1.045 - Restricted Grants-in-Aid

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



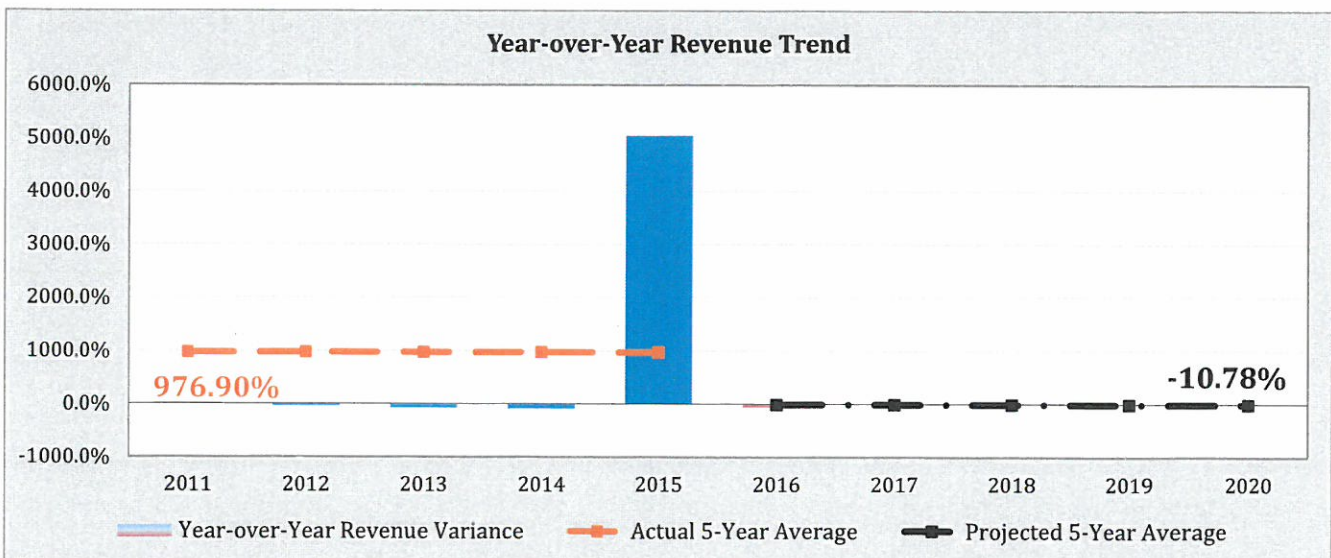
Notes & Assumptions:

Restricted Grants-in-Aid accounts for 1.7% (\$4M Total) of FY16 District revenues.

FY15 special education catastrophic aid reimbursement reduced \$67K from FY14. FY16 and out years flat to FY15.

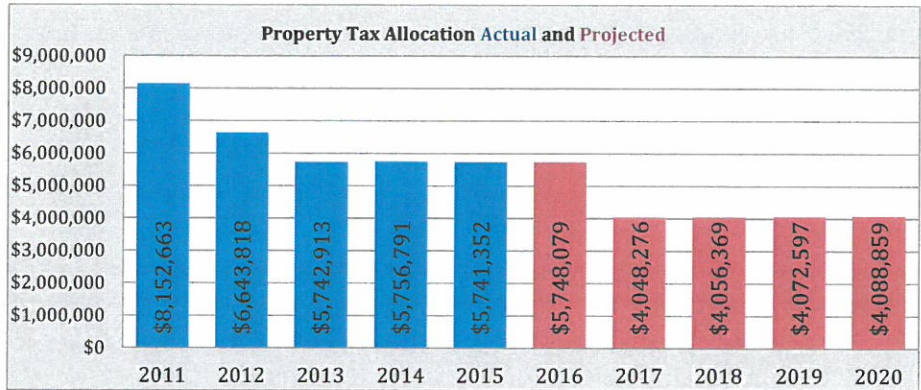
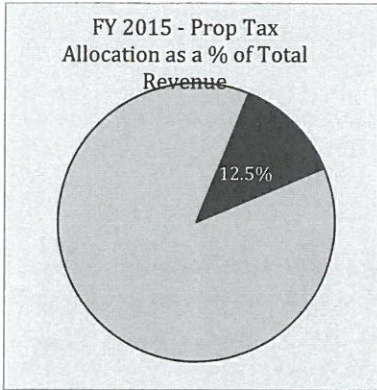
FY15 revenue increase shown caused by receipt in FY15 of both 201/2/13 and 2013/14 catastrophic aid reimbursements due to timing of payments from ODE.

Overall impact vs May FCST is <\$67K> in FY16 and <\$268K> over first four years of FCST period.



1.050 - Property Tax Allocation

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



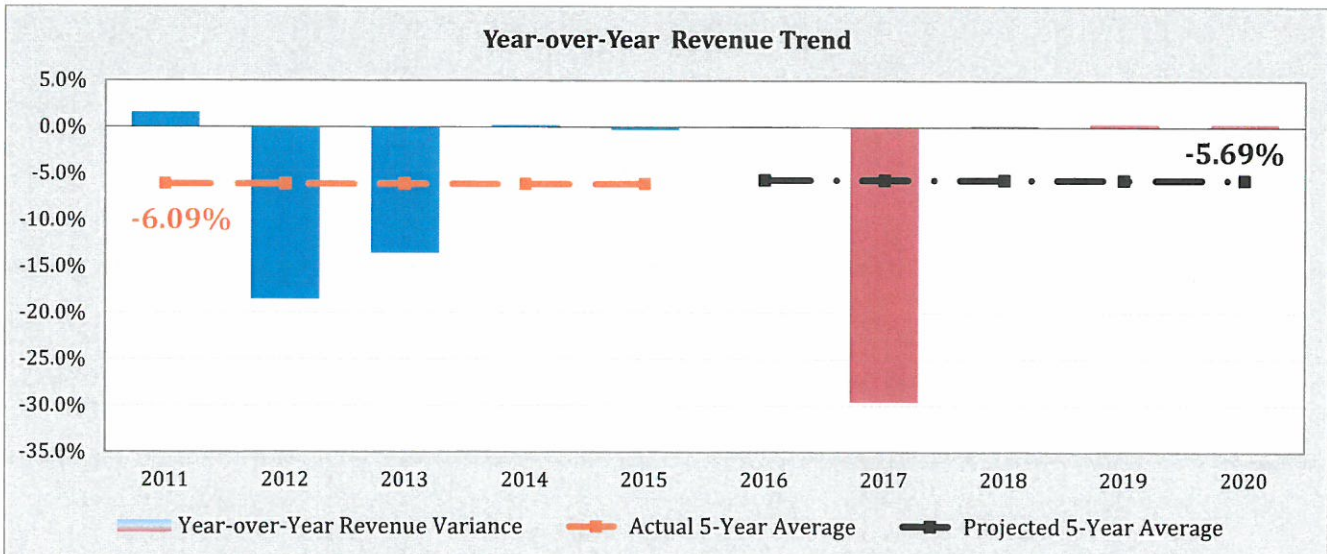
Notes & Assumptions:

Property Tax Allocation accounts for 12.5% (\$5.7M Total) of FY16 District revenues.

TPP reimbursement of \$1.7M in FY16, then eliminated in FY17 and out years by Governor's veto of provision in State budget bill to continue this funding at FY15 levels.

Homestead and rollback funding from State flat to FY15.

Overall impact vs May FCST is \$0 in FY16 and <\$5.2M> over first four years of FCST period.



1.060 - All Other Operating Revenues

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



Notes & Assumptions:

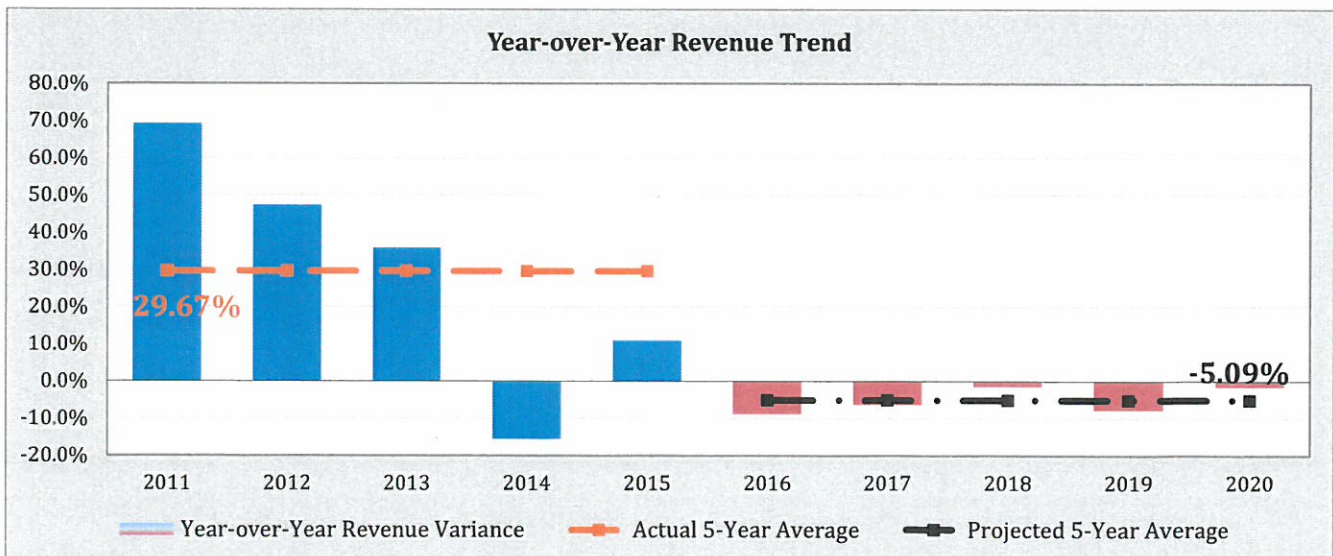
All Other Operating Revenues accounts for 3.9% (\$1.8M Total) of FY16 District revenues.

Categories include Participation Fees, Interest, Parking, Administrative Fees, Medicaid Reimbursements, and Rentals/Field Trips/Miscellaneous, with slight increases in FY16 and out years for interest earnings, Medicaid reimbursements, and all-day K tuition.

PILOT payments (timing and amounts) from City of Broadview Heights for Heritage and South Hills 9100 and 9300 buildings are updated.

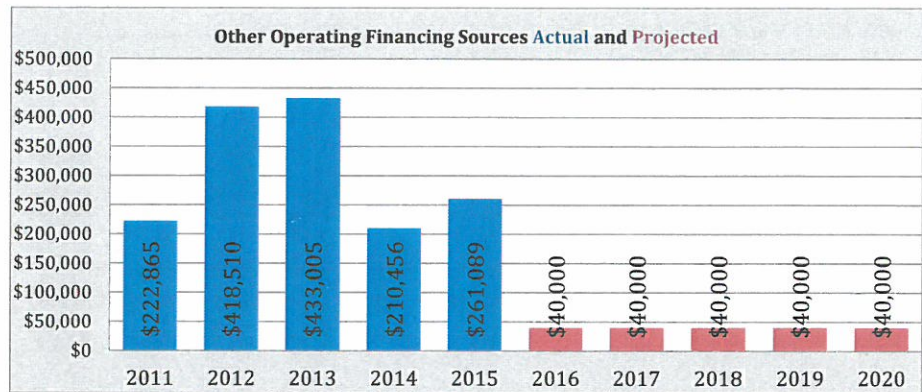
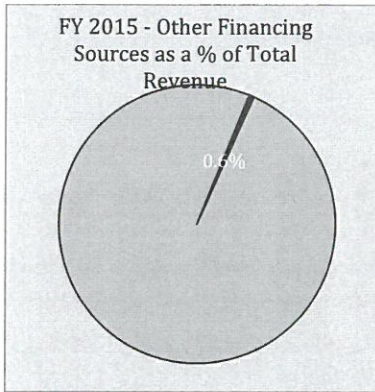
Detailed revenue accounts history, projections, and notes used to develop FCST amounts available in the Treasurer's office.

Overall impact vs May FCST of \$54K in FY16 and \$70K over first four years of FCST period.



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.



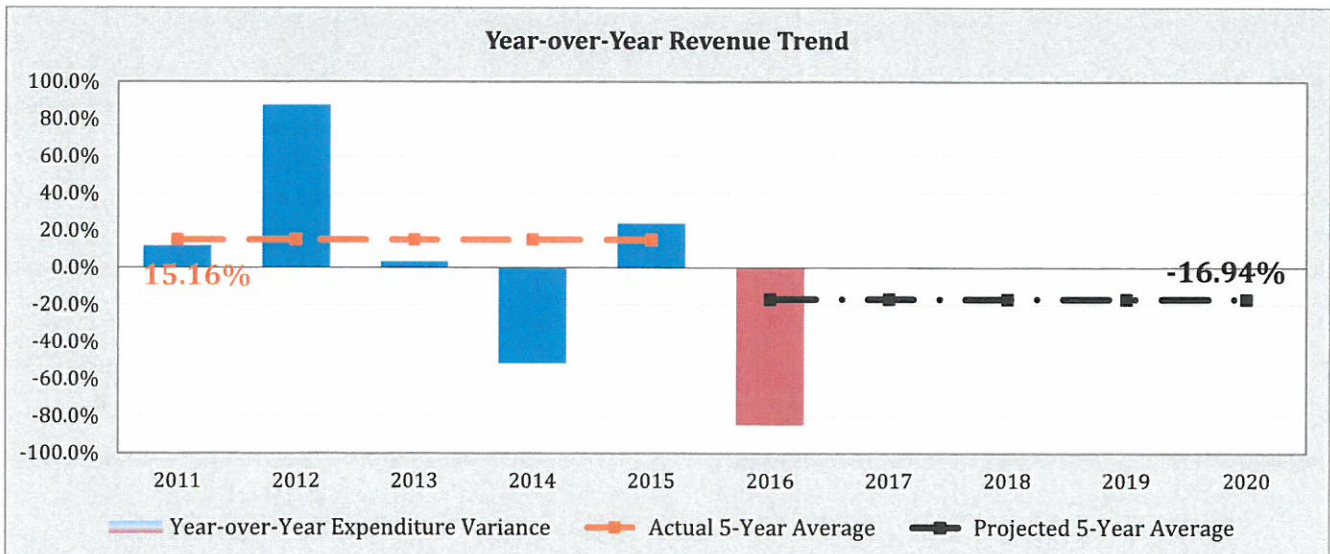
Notes & Assumptions:

Total Other Financing Sources accounts for .6% (\$.04M Total) of FY16 District revenues.

This accounts for the return of temporary cash advances to student resale accounts.

Advance amounts needed to cover mid-year cash flow deficit reduced from prior years. Offsetting reduction in expenditures reported in "All Other Financing Uses."

Overall impact vs May FCST of <\$70K> in FY16 and <\$280K> over first four years of FCST period.



Expenditures Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	
Revenue:							
3.010 - Salaries	-1.57%	-1.07%	0.26%	1.33%	1.33%	1.43%	0.65%
3.020 - Benefits	-0.91%	1.55%	3.56%	4.56%	4.37%	4.52%	3.71%
3.030 - Purchased Services	3.06%	6.85%	2.25%	0.03%	1.91%	1.91%	2.59%
3.040 - Supplies & Materials	-1.59%	8.42%	2.00%	2.00%	2.00%	2.00%	3.28%
3.050 - Capital Outlay	-15.03%	14.48%	1.00%	1.00%	1.00%	1.00%	3.70%
3.060 - Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010 - 4.060 - Debt	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.300 - Other Objects	-4.43%	21.50%	1.74%	1.88%	1.89%	1.89%	5.78%
4.500 - Total Expenditures	-1.26%	0.84%	1.23%	1.91%	2.09%	2.20%	1.66%
5.040 - Total Other Financin	3.13%	14.09%	0.23%	0.18%	0.14%	1.53%	3.24%
5.050 - Total Expenditures and	-1.31%	0.93%	1.22%	1.90%	2.07%	2.20%	1.66%

Notes & Assumptions:

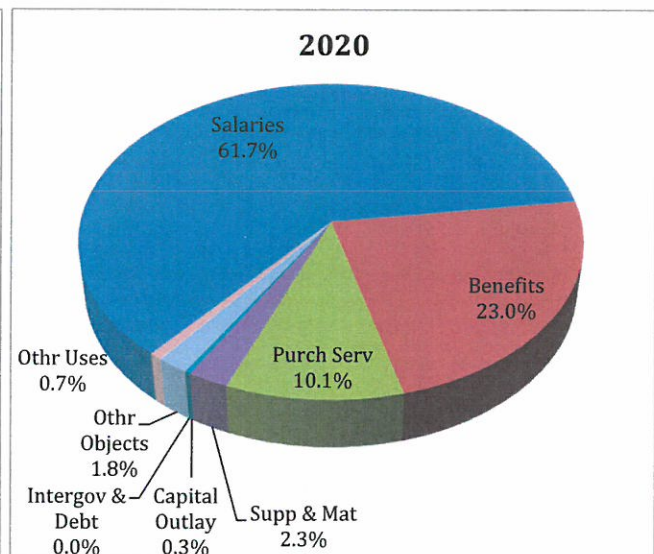
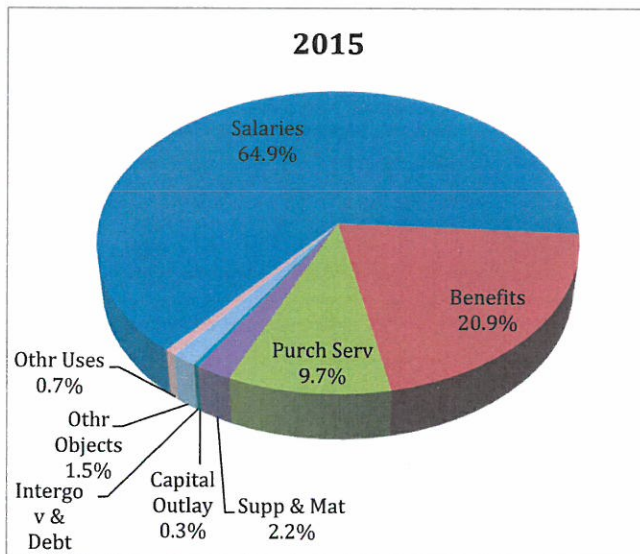
FY16 estimates are based on current staffing and budgets.

Salaries increased only for educational advancement in FY16. Step increases of 1.6% of salary included for FY17 and out years. No base increases included.

Insurance benefits premiums increased at 4.55% for FY16, and estimated 8% in FY17 and out years.

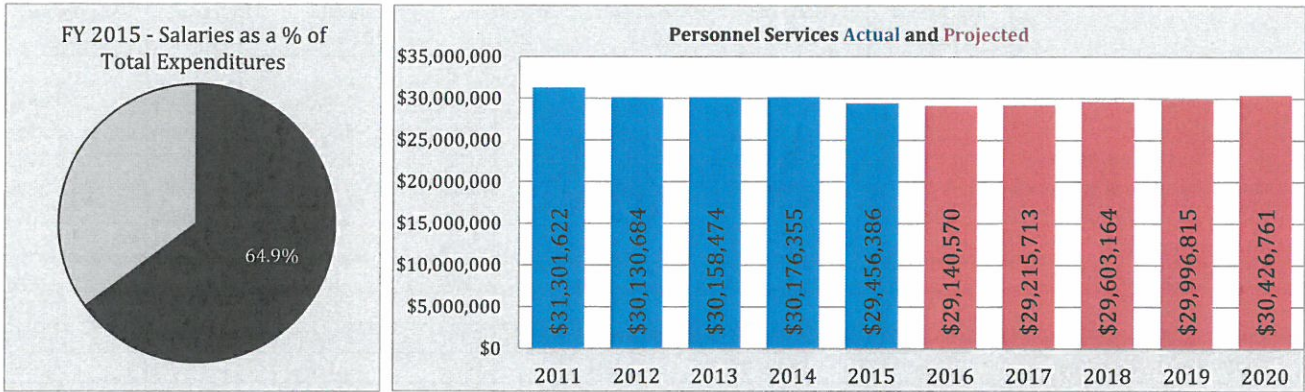
2% inflation included for purchased services, supplies, and other objects. 1% inflation include for capital outlay. Some fluctuations other than inflation occur for estimated budgets in certain fiscal years due to changes noted in line item budget projections developed and retained by Treasurer.

See "Notes & Assumptions" for each expenditure item for more detailed assumptions used for this FCST.



3.010 - Personnel Services

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



Notes & Assumptions:

Personnel Services (Salaries/Wages) accounts for 64.9% (\$29.1M Total) of FY16 District expenditures.

Staff head count remains flat for all forecast years.

No base increase for all forecast years.

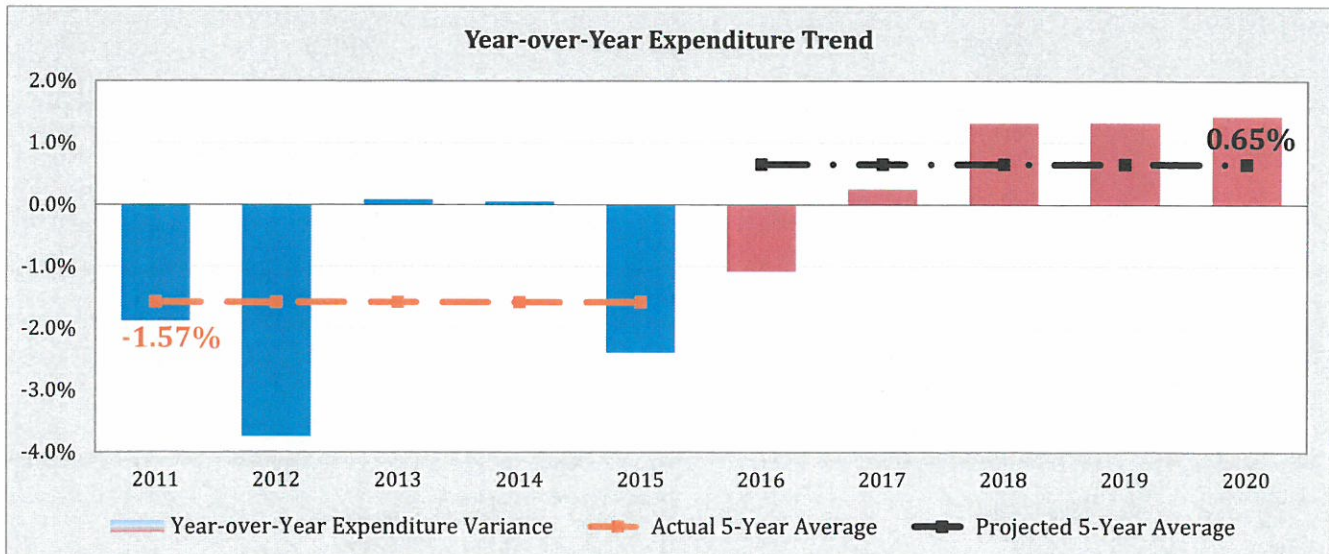
Longevity steps omitted for FY14 through FY16 and return to historical rate in FY17.

Educational steps included for all fiscal years at historical rate.

Attrition replacement savings from 2015 retired/resigned employees included for FY16 and out years.

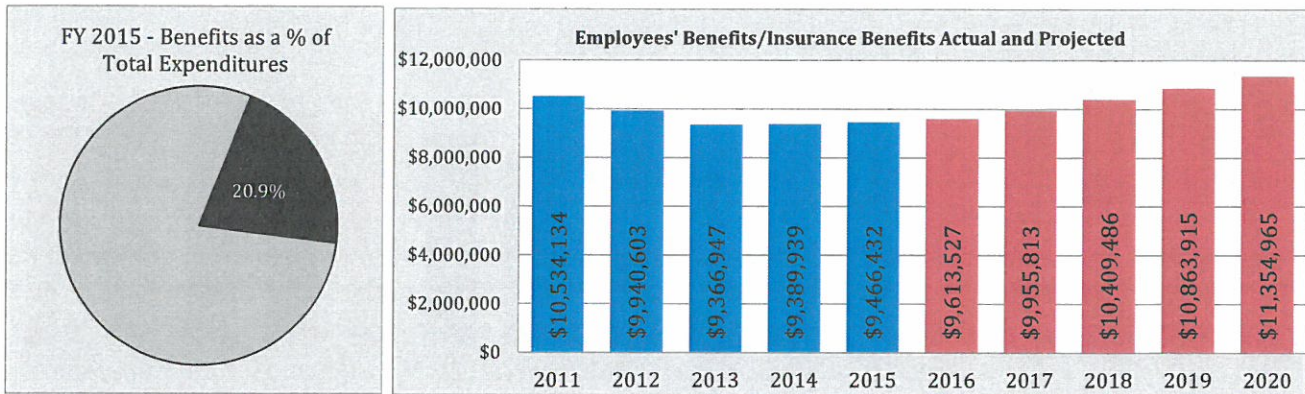
Estimated four retirements factored for FY17 through FY20. Replacement staff assumed to be at Masters, 5 year level. Severance payments reduced to align to fewer retirements.

Overall impact vs May FCST is <\$13K> in FY16 and \$746K favorable over first four years of FCST period.



3.020 - Employees' Benefits

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



Notes & Assumptions:

Employees' Benefits accounts for 20.9% (\$9.6M Total) of FY16 District expenditures.

No increase in insurance costs for FY15; 4.55% increase for medical and prescription, and no increase for dental, for FY16; one-month premium holiday for dental insurance in FY16 & FY17; 8% per year increase for medical and prescription, and 3% for dental, estimated in FY17 and out years.

FY16 and out years insurance costs reduced due to non-compounding of projected 10% increases in FY15 and FY16 carried in May 2015 FCST.

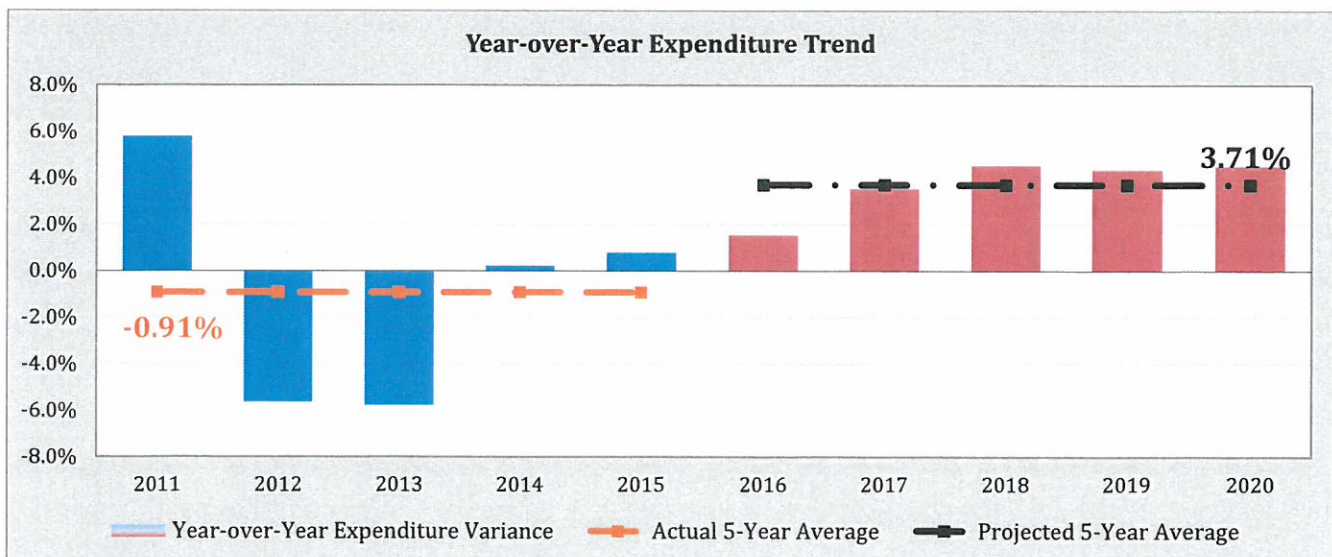
Changes in insurance coverage selected by new hires reflected for FY16 and out years.

Additional insurance fee due to transportation hours increase from reinstatement of half-day, every day kindergarten model included for FY16 and out years.

Salary-related costs for retirement, medicare, and workers' compensation reduced in FY17 and out years due to salary estimate reductions.

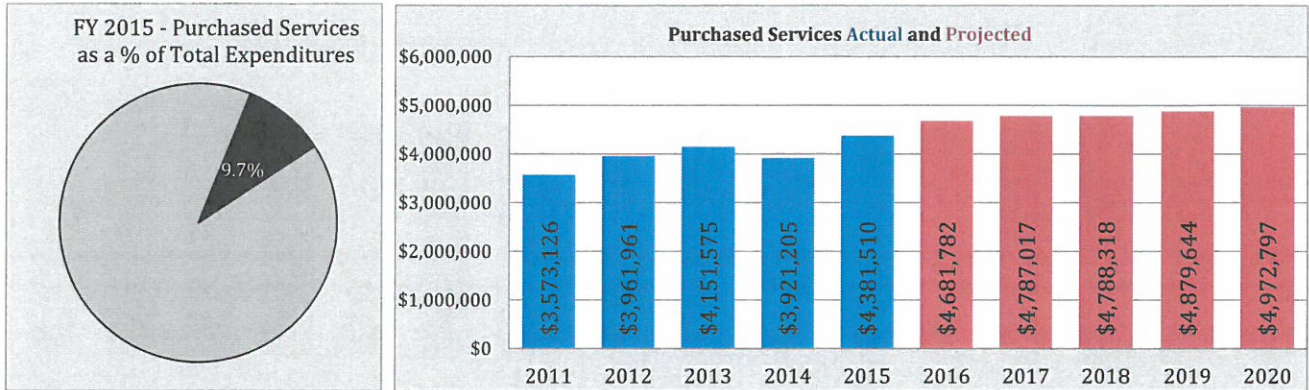
Impact of negotiations on insurance are constant for the forecast period: Medical Plan 1a, spousal enrollment, and 15% employee premium share effective 11/1/12 are included.

Overall impact vs May FCST is \$37K in FY16 and \$837K favorable over first four years of FCST period.



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.



Notes & Assumptions:

Purchased Services accounts for 9.7% (\$4.7M Total) of Fy16 District expenditures.

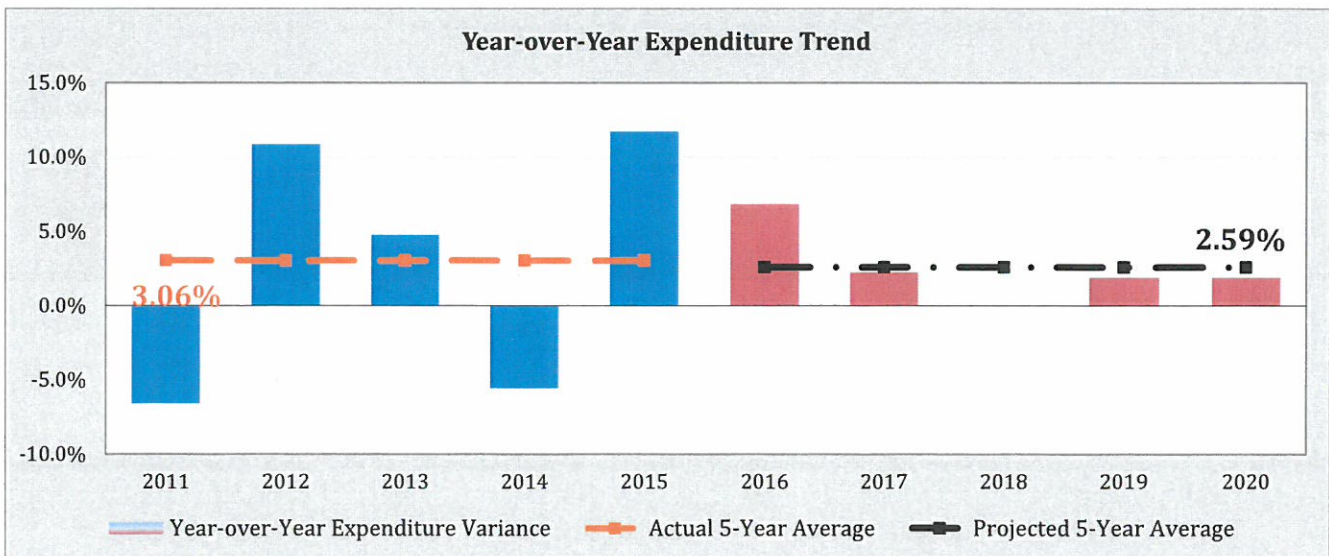
Based upon FY16 budgets with 2% inflation.

Utilities reflect volume for a "normal" winter severity and current unit costs.

Reduced natural gas costs for FY16 due to reduced pricing from Ohio Schools' Council co-op and reduced electricity costs for FY16 and out years due to EUS transformer replacement included.

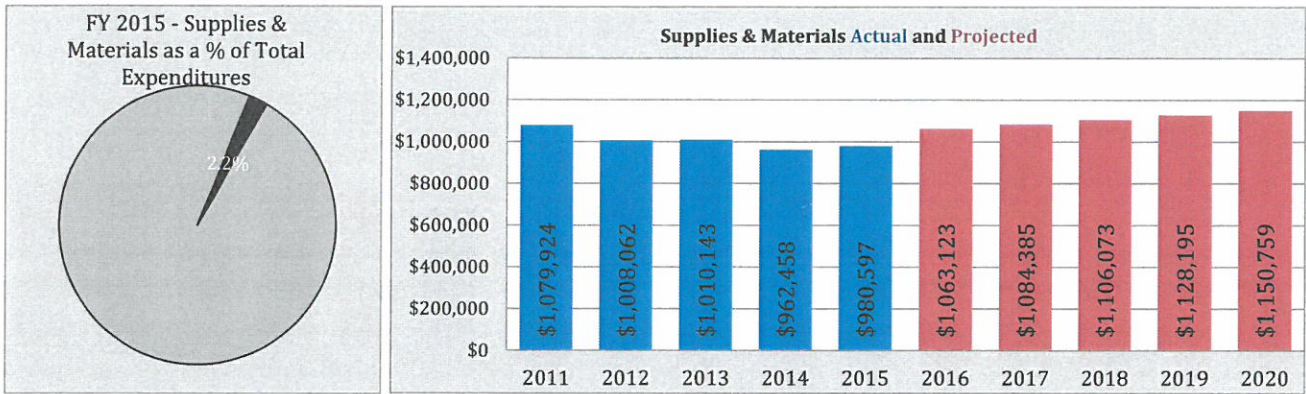
Detailed budget accounts history, projections, and notes used to develop FCST amounts available in the Treasurer's office.

Overall impact vs May FCST is \$83K in FY16 and \$482K favorable over first four years of FCST period.



3.040 - Supplies & Materials

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



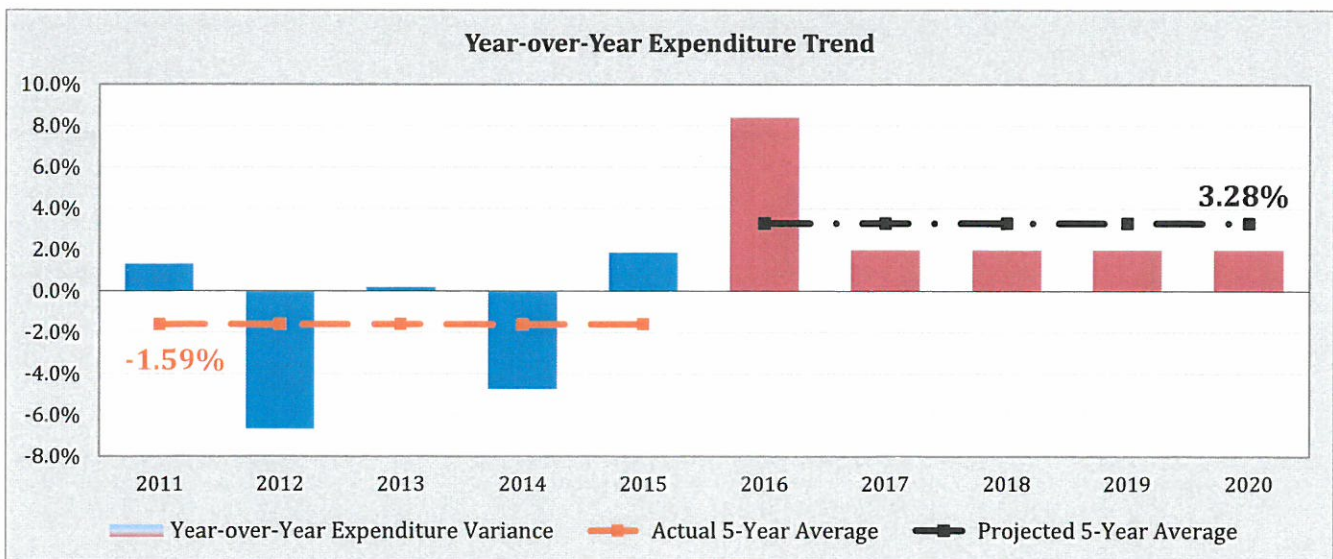
Notes & Assumptions:

Supplies & Materials accounts for 2.2% (\$1.1M Total) of FY16 District expenditures.

Based upon FY16 budgets with 2% inflation.

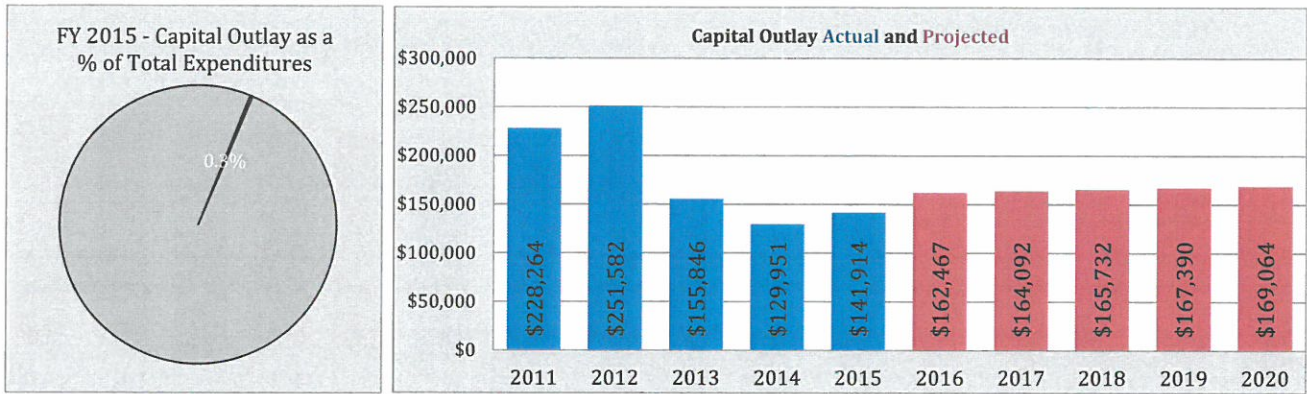
Detailed budget accounts history, projections, and notes used to develop FCST amount available in the Treasurer's office.

No change to May FCST.



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.

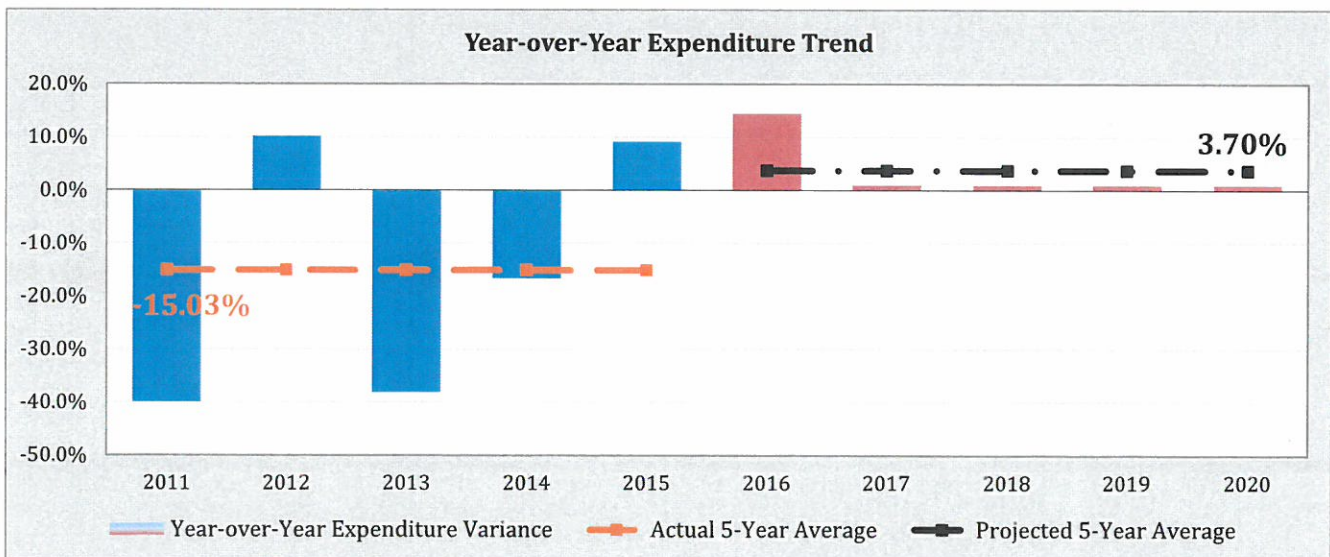


Notes & Assumptions:

Capital Outlay accounts for .3% (\$.2M Total) of FY16 District expenditures.

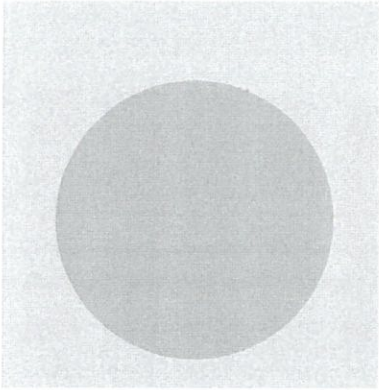
Based upon FY16 budgets with 1% inflation.

Overall impact vs May FCST is \$30K in FY16 and \$120K favorable over first four four years of FCST period.



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.

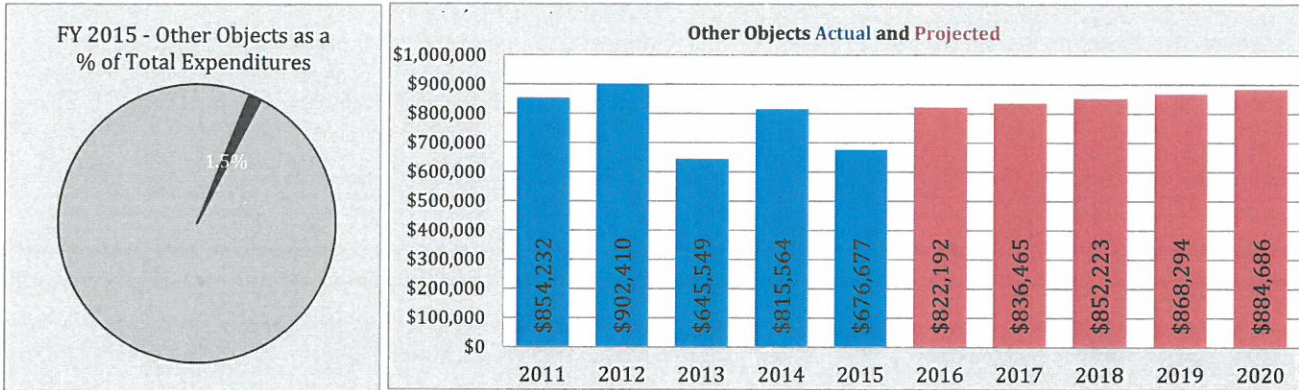


Notes & Assumptions:

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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.



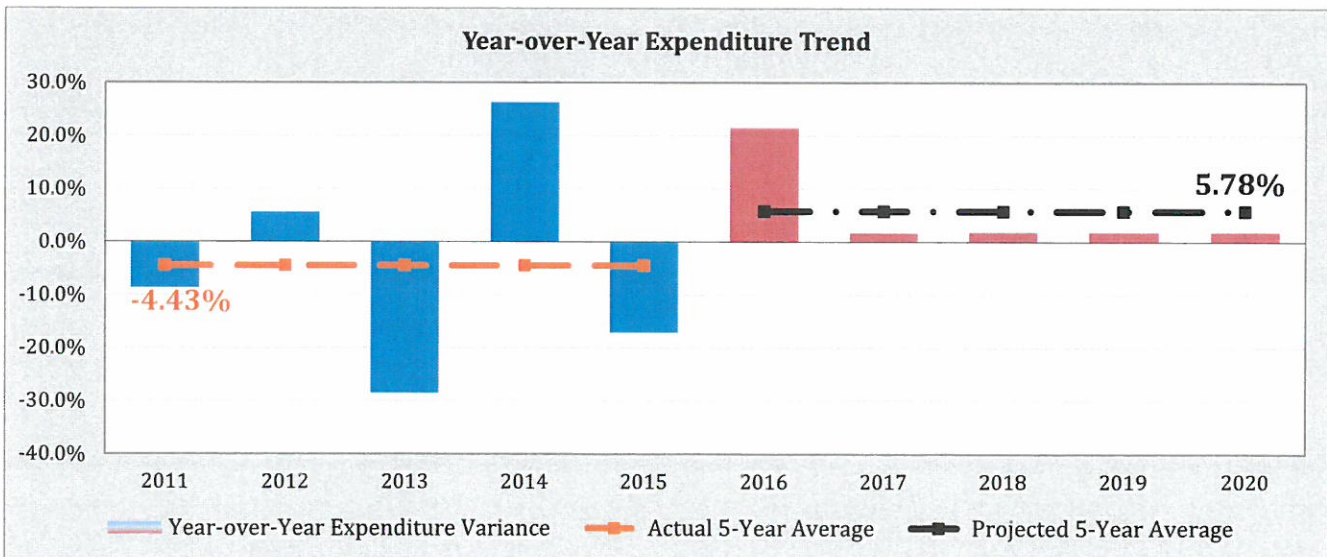
Notes & Assumptions:

Other Objects accounts for 1.5% (\$.8M Total) of FY16 District expenditures.

Based upon FY16 budgets with 2% inflation.

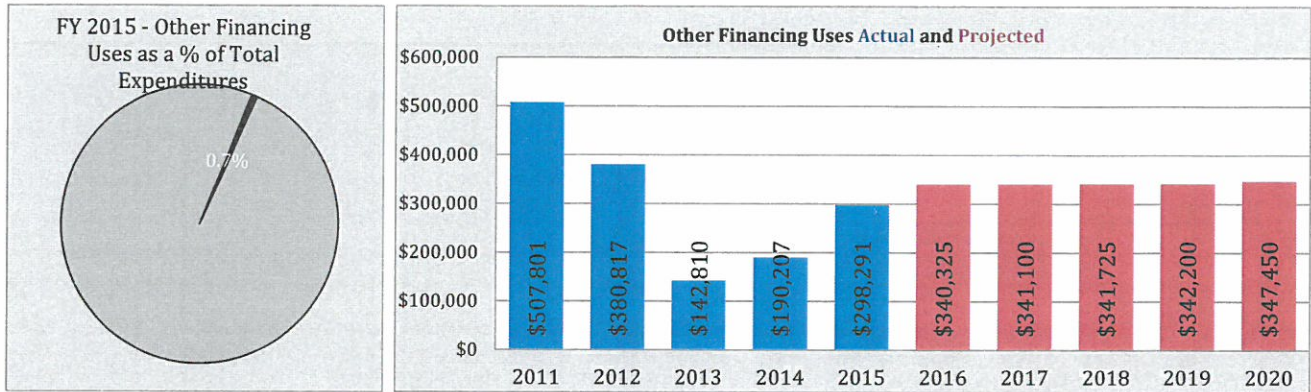
Detailed budget accounts history, projections, and notes used to develop FCST amounts available in the Treasurer's office.

No change to May FCST.



5.040 - Total Other Financing Uses

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



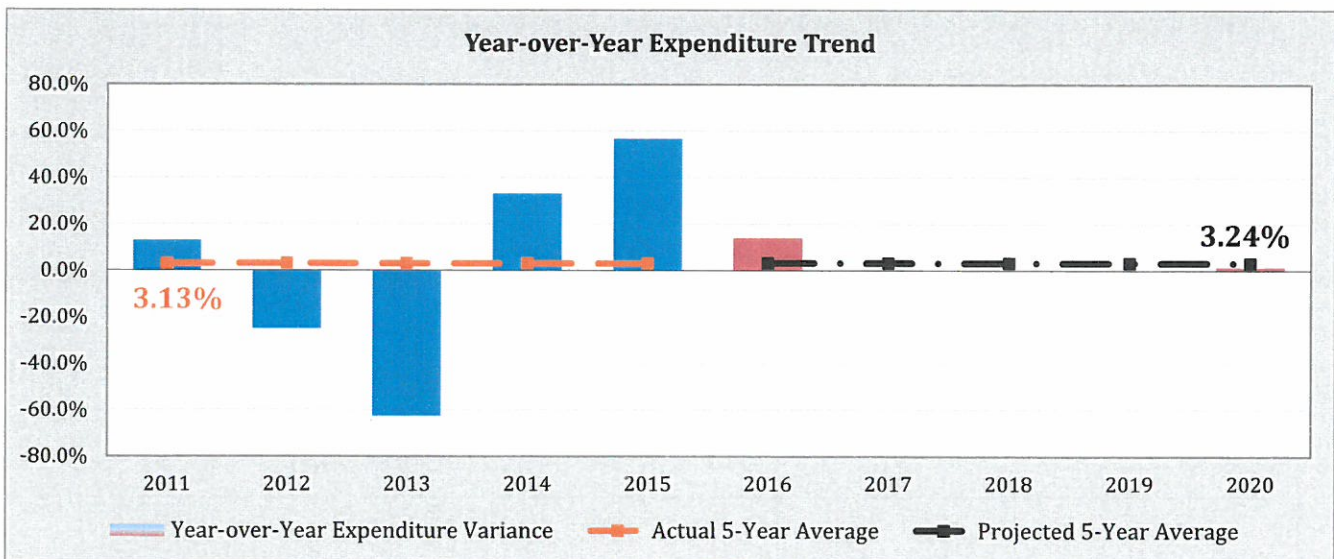
Notes & Assumptions:

Total Other Financing Uses accounts for .7% (\$.3M Total) of FY16 District expenditures.

- \$15,000 for CAPA support.
- \$234,325 for House Bill 264 Bonds debt repayment.
- \$26,000 to offset School Funds for workbooks purchased for students receiving free/reduced lunch fees waiver.
- \$25,000 for turf replacement fund due to general fund maintenance savings.
- \$40,000 for temporary advance for startup funds to purchase workbooks for each ensuing school year.

Advance amount needed to cover mid-year cash flow deficit reduced from prior years. Offsetting reduction in revenues reported in "All Other Financing Sources."

Overall impact vs May FCST of \$70K in FY16 and \$280K over first four years of FCST period.



Forecast Compare

Comparison of Previous Forecast Amounts to Current Forecasted Numbers
F.Y. 2016

		Column A	Column B	Column C	Column D
		Previous Forecast Amounts For F.Y. 2016 Prepared on: 05/20/2015	Current Forecast Amounts For F.Y. 2016 Prepared on: 10/20/2015	Dollar Difference Between Previous and Current	Percent Difference Between Previous and Current
Revenue:					
1	Real Estate & Property Allocation	\$36,777,256	\$36,089,874	-\$687,382	-1.9%
2	Public Utility Personal Property	\$1,988,796	\$1,866,743	-\$122,053	-6.1%
3	Income Tax	\$0	\$0	\$0	n/a
4	State Foundation Restricted & Unrestricted	\$5,732,375	\$5,610,366	-\$122,009	-2.1%
5	Other Revenue	\$1,604,600	\$1,653,600	\$49,000	3.1%
6	Other Non Operating Revenue	\$110,000	\$40,000	-\$70,000	-63.6%
7	Total Revenue	\$46,213,027	\$45,260,583	-\$952,444	-2.1%
Expenditures:					
8	Salaries	\$29,143,349	\$29,140,570	-\$2,779	0.0%
9	Fringe Benefits	\$9,620,310	\$9,613,527	-\$6,783	-0.1%
10	Purchased Services	\$4,765,243	\$4,681,782	-\$83,461	-1.8%
11	Supplies, Debt, Capital Outlay & Other	\$2,075,192	\$2,047,782	-\$27,410	-1.3%
12	Other Non Operating Expenditures	\$410,325	\$340,325	-\$70,000	-17.1%
13	Total Expenditures	\$46,014,419	\$45,823,986	-\$190,433	-0.4%
14	Revenue Over/(Under) Expenditures	\$198,608	-\$563,403	-\$762,011	-1.7%*
15	Ending Cash Balance	\$9,401,984	\$9,540,297	\$138,313	69.6%*

Notes:

While there are changes in both revenue and expenditure projections for FY16 and beyond as indicated in the "Notes & Assumptions" for each category, the overall impact on the FY16 ending cash balance is \$140K favorable to the May 2015 FCST. The projected revenue losses for FY16 are largely caused by lower than expected tax receipts as indicated in the General Property Tax (Real Estate) category, and are offset by the reduced expenditures in FY16 and additional carryover balance from FY15, to create the \$140K favorable impact on the FY16 ending cash balance.

BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT - - CUYAHOGA COUNTY

Fiscal Year:	Actual	FORECASTED				
	2015	2016	2017	2018	2019	2020
Revenue:						
1.010 - General Property Tax (Real Estate)	30,075,103	30,341,795	31,098,465	31,211,040	31,346,673	31,476,173
1.020 - Public Utility Personal Property	2,058,553	1,866,743	1,974,972	1,974,972	1,974,972	1,974,972
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	5,244,356	5,258,526	5,250,286	5,151,819	5,149,214	5,144,868
1.040 - Restricted Grants-in-Aid	762,380	351,840	351,790	351,742	351,721	351,674
1.045 - Restricted Federal Grants - SFSF	-	-	-	-	-	-
1.050 - Property Tax Allocation	5,741,352	5,748,079	4,048,276	4,056,369	4,072,597	4,088,859
1.060 - All Other Operating Revenues	1,812,205	1,653,600	1,550,600	1,529,600	1,411,600	1,391,600
1.070 - Total Revenue	45,693,949	45,220,583	44,274,388	44,275,542	44,306,777	44,428,145
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	110,000	40,000	40,000	40,000	40,000	40,000
2.060 - All Other Financing Sources	151,089	-	-	-	-	-
2.070 - Total Other Financing Sources	261,089	40,000	40,000	40,000	40,000	40,000
2.080 - Total Rev & Other Sources	45,955,038	45,260,583	44,314,388	44,315,542	44,346,777	44,468,145
Expenditures:						
3.010 - Personnel Services	29,456,386	29,140,570	29,215,713	29,603,164	29,996,815	30,426,761
3.020 - Employee Benefits	9,466,432	9,613,527	9,955,813	10,409,486	10,863,915	11,354,965
3.030 - Purchased Services	4,381,510	4,681,782	4,787,017	4,788,318	4,879,644	4,972,797
3.040 - Supplies and Materials	980,597	1,063,123	1,084,385	1,106,073	1,128,195	1,150,759
3.050 - Capital Outlay	141,914	162,467	164,092	165,732	167,390	169,064
3.060 - Intergovernmental	-	-	-	-	-	-
Debt Service:						
4.010 - Principal-All Years	-	-	-	-	-	-
4.020 - Principal - Notes	-	-	-	-	-	-
4.030 - Principal - State Loans	-	-	-	-	-	-
4.040 - Principal - State Advances	-	-	-	-	-	-
4.050 - Principal - HB264 Loan	-	-	-	-	-	-
4.055 - Principal - Other	-	-	-	-	-	-
4.060 - Interest and Fiscal Charges	-	-	-	-	-	-
4.300 - Other Objects	676,677	822,192	836,465	852,223	868,294	884,686
4.500 - Total Expenditures	45,103,516	45,483,661	46,043,485	46,924,997	47,904,253	48,959,032
Other Financing Uses						
5.010 - Operating Transfers-Out	298,291	300,325	301,100	301,725	302,200	307,450
5.020 - Advances-Out	-	40,000	40,000	40,000	40,000	40,000
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	298,291	340,325	341,100	341,725	342,200	347,450
5.050 - Total Exp and Other Financing Uses	45,401,807	45,823,986	46,384,585	47,266,722	48,246,453	49,306,482
6.010 - Excess of Rev Over/(Under) Exp	553,231	(563,403)	(2,070,196)	(2,951,181)	(3,899,676)	(4,838,337)
7.010 - Cash Balance July 1 (No Levies)	9,550,469	10,103,700	9,540,297	7,470,101	4,518,920	619,244
7.020 - Cash Balance June 30 (No Levies)	10,103,700	9,540,297	7,470,101	4,518,920	619,244	(4,219,093)
8.010 - Estimated Encumbrances June 30	323,248	325,000	325,000	325,000	325,000	325,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	9,780,452	9,215,297	7,145,101	4,193,920	294,244	(4,544,093)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Income & Property Tax-Renewal	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	9,780,452	9,215,297	7,145,101	4,193,920	294,244	(4,544,093)
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	9,780,452	9,215,297	7,145,101	4,193,920	294,244	(4,544,093)

