



NORDONIA HILLS CITY  
SCHOOL DISTRICT

Inspiring every student to value learning, community and excellence

# Financial Report Five-Year Forecast

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October 24, 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	20,383,032	20,194,463	15,031,269	8,567,676	888,808
+ Revenue	43,217,766	40,860,817	41,018,636	41,337,759	41,761,100
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(43,406,335)	(46,024,011)	(47,482,230)	(49,016,627)	(50,617,360)
= Revenue Surplus or Deficit	(188,569)	(5,163,194)	(6,463,593)	(7,678,868)	(8,856,260)
Ending Balance	20,194,463	15,031,269	8,567,676	888,808	(7,967,452)
Revenue Surplus or Deficit w/o Levies	(188,569)	(5,163,194)	(6,463,593)	(7,678,868)	(8,856,260)
Ending Balance w/o Levies	20,194,463	15,031,269	8,567,676	888,808	(7,967,452)

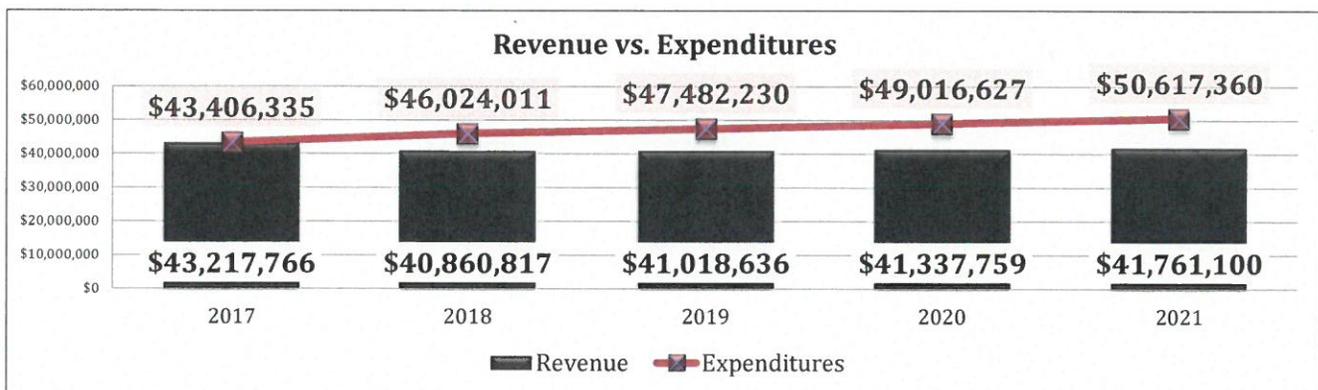
Summary:

The District anticipates deficit spending by approximately \$189,000 in fiscal year (FY) 2017 because anticipated expenditures of \$43,406,335 will outpace the projected revenue of \$43,217,766. As evidenced by the above chart, the deficit spending increases for the remainder of the forecast even though the District cash balance is positive through fiscal year 2020.

Before the passage of the 6 mill operating levy in November 2011, the District made substantial staff reductions and negotiated with all employee groups for an absolute pay freeze for three years. These measures extended the time horizon for the District's forecast because the District received one-half of the levy tax collections in fiscal year 2012 and a full year of tax collections in fiscal year 2013. Districts operate on a fiscal year basis from July 1 to June 30. However, tax collections are based on a calendar year basis. This is an important factor for levy planning. If a levy is passed in one year, taxes will be collected beginning in January of the following year and the District will only receive one-half of the tax collections in that fiscal year. At this point, there are no new operating levies modeled in this forecast.

As evidenced by the above chart, revenue is projected to substantially decrease in FY18 due to legislative action in the State biennium budget regarding the tangible personal property reimbursement. The cash balance provides adequate cash reserves through FY19. The District will be faced with making budget reductions or asking voters for an additional operating levy.

The District is financially challenged since 63.28% of its operating revenue is derived from local property taxes which are basically kept flat due to House Bill 920. HB920 adjusts the effective tax rates based on whether property valuations increase or decrease. The only fluctuations in tax revenue comes from the District's 4.97 inside mills, new construction in year one, and property valuation challenges.



## Revenue Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	
<b>Revenue:</b>							
1.010-Real Estate	3.99%	0.51%	0.00%	0.67%	0.29%	0.50%	0.39%
1.020-Public Utility	8.32%	4.81%	1.25%	1.23%	0.00%	1.75%	1.81%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	4.21%	12.44%	-22.35%	-0.95%	4.60%	4.52%	-0.35%
1.040-Restricted Aid	90.54%	29.24%	0.20%	-0.01%	-0.01%	-0.01%	5.88%
1.045-Restr Federal SFSF	-94.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-6.49%	-15.87%	-4.17%	0.52%	0.40%	0.50%	-3.72%
1.060-All Other Operating	28.49%	13.67%	-20.76%	-1.08%	-0.03%	-0.12%	-1.66%
1.070-Total Revenue	2.93%	1.30%	-5.10%	0.39%	0.78%	1.02%	-0.32%
2.070-Total Other Sources	4.24%	120.50%	-100.00%	#DIV/0!	#DIV/0!	#DIV/0!	0.00%
2.080-Total Rev & Other Srcs	2.75%	1.50%	-5.45%	0.39%	0.78%	1.02%	-0.35%

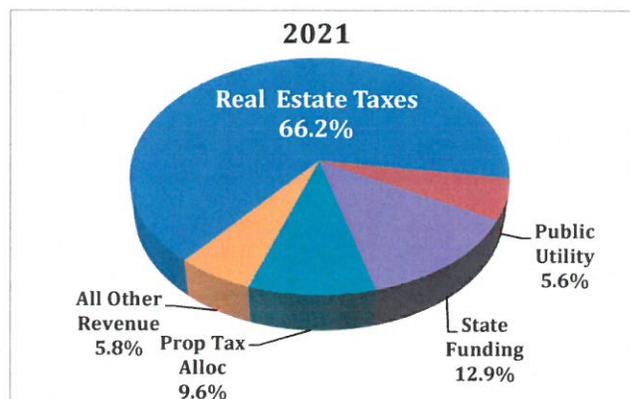
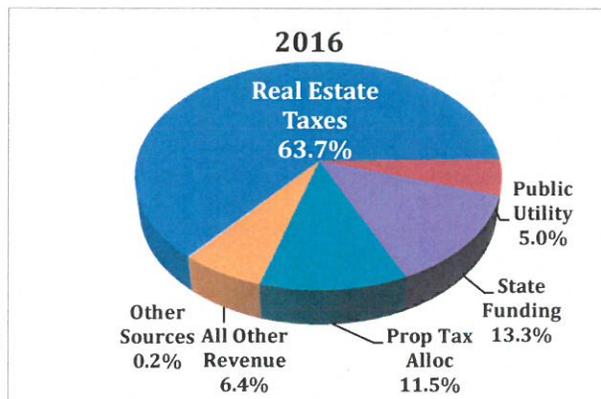
The District's revenue is projected to remain relatively stable through the forecast period.

The most significant source of revenue is local property taxes totaling 63.28% of total operating revenue. Annually, tax rates are adjusted based on property valuations. There is an inverse relationship between valuations and tax rates. If valuations increase, the tax rates are decreased and if valuations decrease, tax rates will be increased. These adjustments are due to House Bill 920. HB920 requires an adjustment to tax rates to ensure the District only receives the same funds it received when the voters first approved the levy. This is similar to living on a fixed income.

The only changes in tax revenue (positive or negative) comes from the inside millage of 4.97 mills, new construction in year one, delinquencies and property valuation challenges.

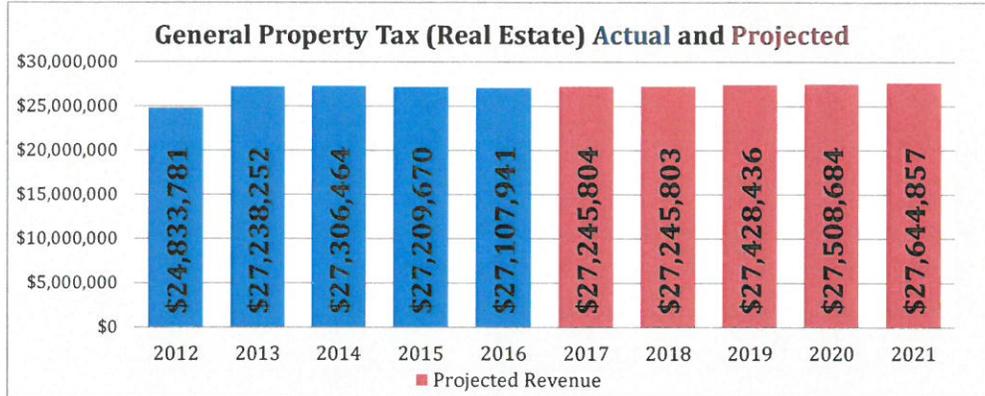
There is a shift in revenue due to legislative action resulting from the State's biennial budget. The tangible personal property reimbursement was reduced in the property tax allocation line 1.050 and added to the Unrestricted Grants-in-Aid (State funding) line 1.035.

The District received additional funds due to two negotiated settlements with property owners increasing revenue in fiscal year 2017 only.



### 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



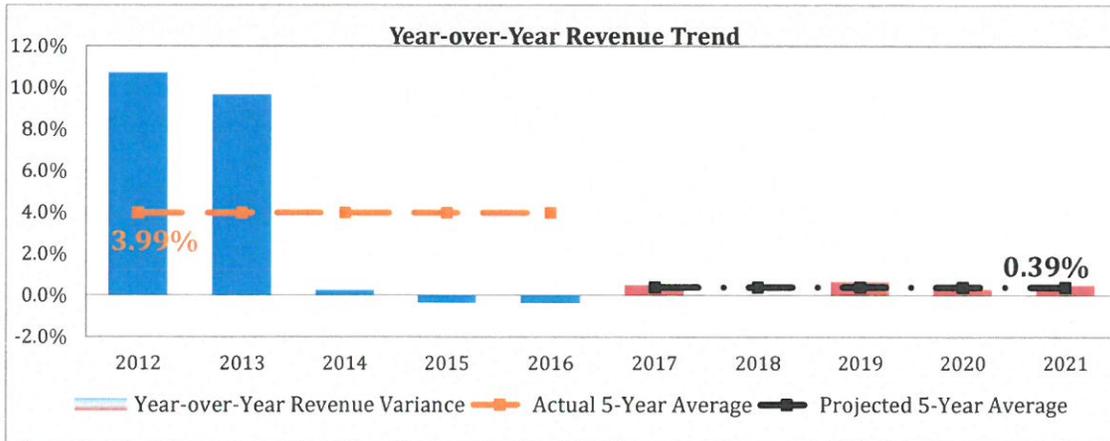
**Real estate tax collections constitute 63.28% of the District's total operating revenue.**  
 No significant changes are projected because of House Bill 920, which adjusts the millage rate to ensure the district receives the same revenue as it originally received. This is similar to living on a fixed income. Significant fluctuations occur when tax levies are approved as shown in FY12 and FY13 when revenue from the 6 mill operating levy was received.

Tax collections are calculated based on property valuations multiplied by the effective tax rates for each class of property. There are two classes of property included as real estate taxes.

Class I includes all residential/agricultural properties.  
 Residential properties are assessed at 35% of their market value.  
 The effective tax rate is 34.42 mills for 2015 which is \$3.44 per \$1,000 of assessed property valuations.

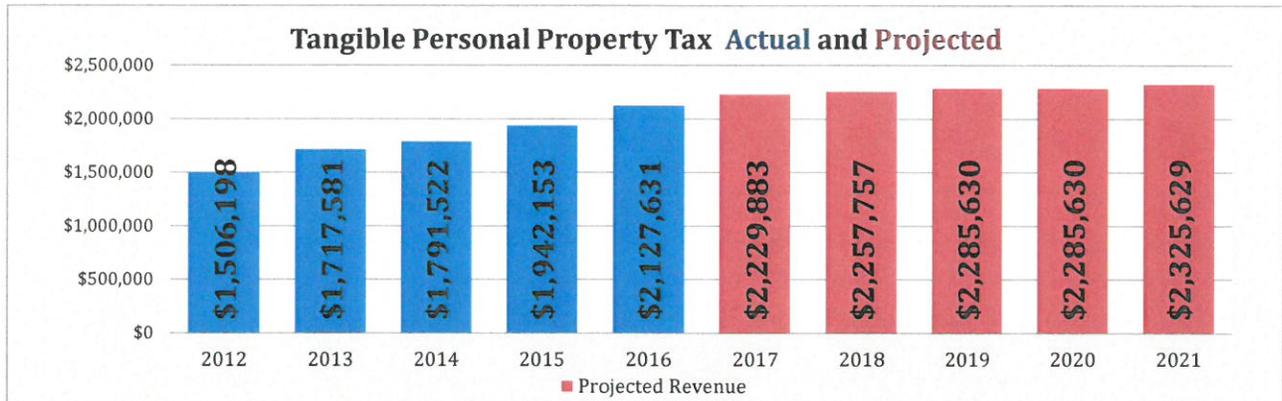
Class II includes all commercial/industrial properties (business properties).  
 The effective tax rate is 35.93 for 2015.

Summit County's triennial update of property valuations will be in 2017 and a full reappraisal of all properties will occur in 2020.



## 1.020 - Public Utility Personal Property

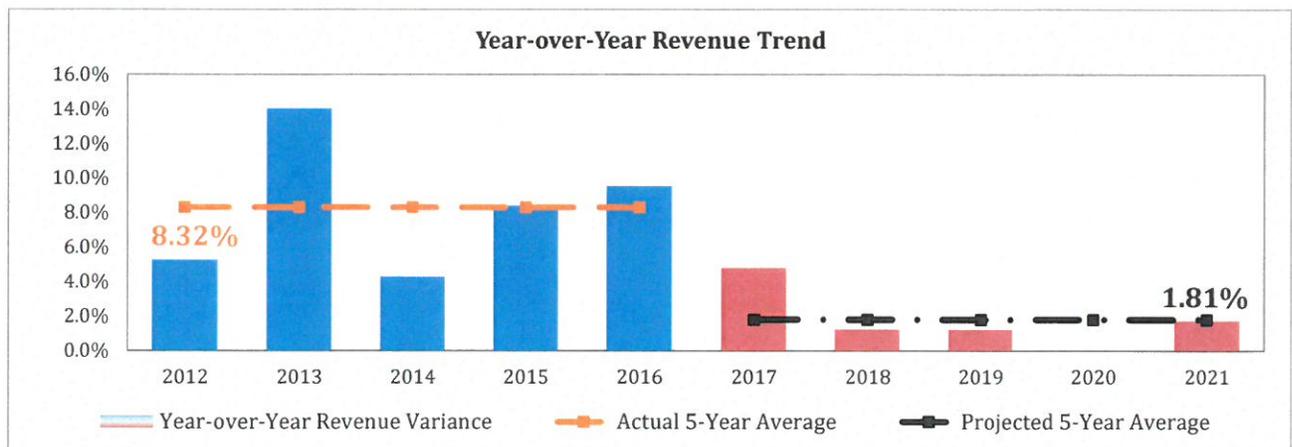
Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



**Public Utility Personal Property taxes constitute 5.18% of the District's total operating revenue.**

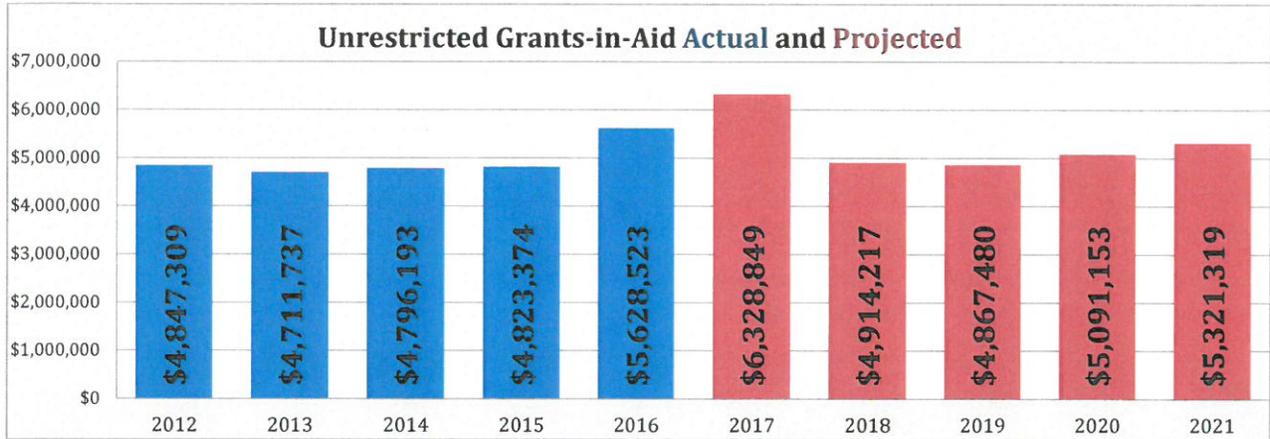
Unlike residential and business properties, public utility personal properties are taxed at the District's full voted tax rate of 65.6 mills for operating levies. Replacement of lines, substations, or new equipment increases values of public utilities. Being taxed at the full voted tax rate can cause swings up or down as values fluctuate annually.

State legislators in a quest to make Ohio more attractive to businesses phased out the tangible personal property taxes on general business, telephone and telecommunications and railroad properties. At its peak, the District collected almost \$5.5M in tangible personal property taxes. Tangible personal property values were reduced to zero in calendar year 2009. Only public utility property values remain. Public utility values increased by 9.7% or \$2.2M. It is assumed these values will remain stable for the forecasting period. Tax policies implemented a reimbursement provision to coincide with decreased valuations. (See Property Tax Allocation for more details.)



### 1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.

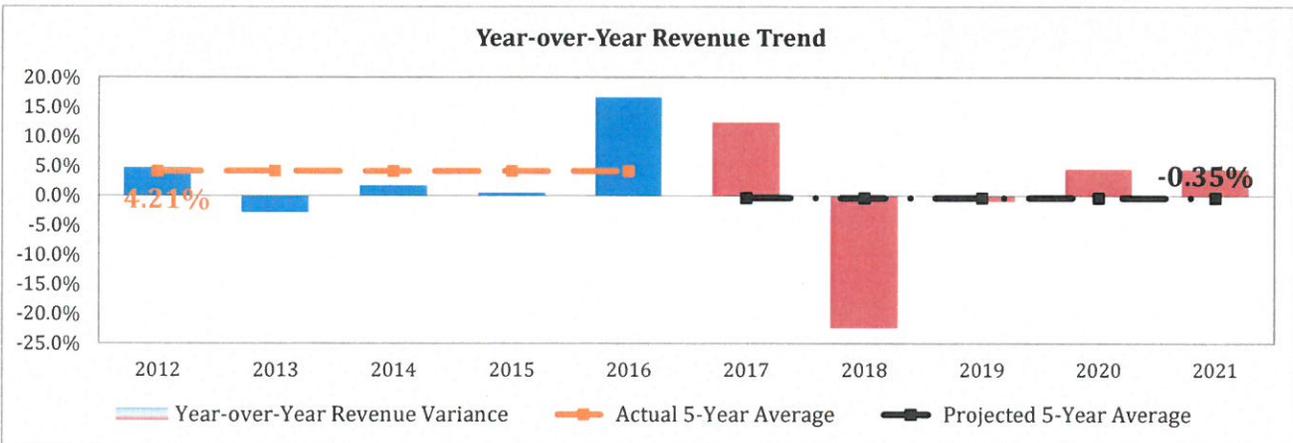


**Unrestricted grants-in-aid accounts for 14.7% of the District's total operating revenue and is subject to the State's biennial budget every two years.**

**What is included in Line 1.035?:**

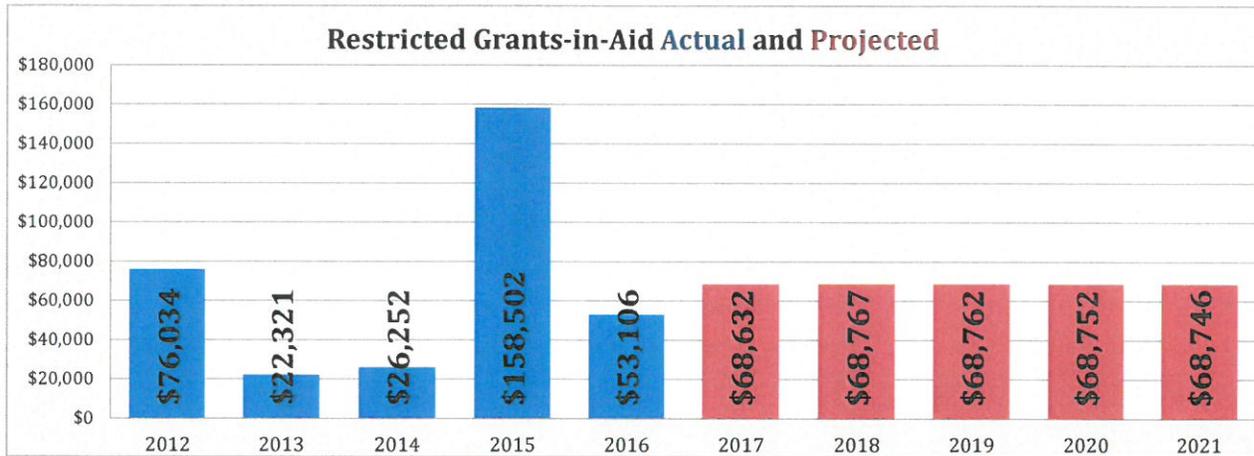
- State Foundation program includes funding for opportunity grant, K-3 literacy, limited English proficiency, gifted education, and transitional guarantee.
- Graduation bonus (\$15,752) and third grade reading bonus (\$7,674).
- Preschool special education funding (\$138,966)
- Special education transportation (\$110,740)
- Casino revenue is \$51.85 per pupil.

As evidenced in the above chart, there is a spike in revenue in FY16 (\$786,576) and FY17 (\$1,319,735) due to the inclusion of the tangible personal property supplement. In FY16, the District received 80% of this supplement and the State is revising calculations before releasing the remaining 20% in FY17. In FY18, the tangible personal property reimbursement will be exhausted.



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

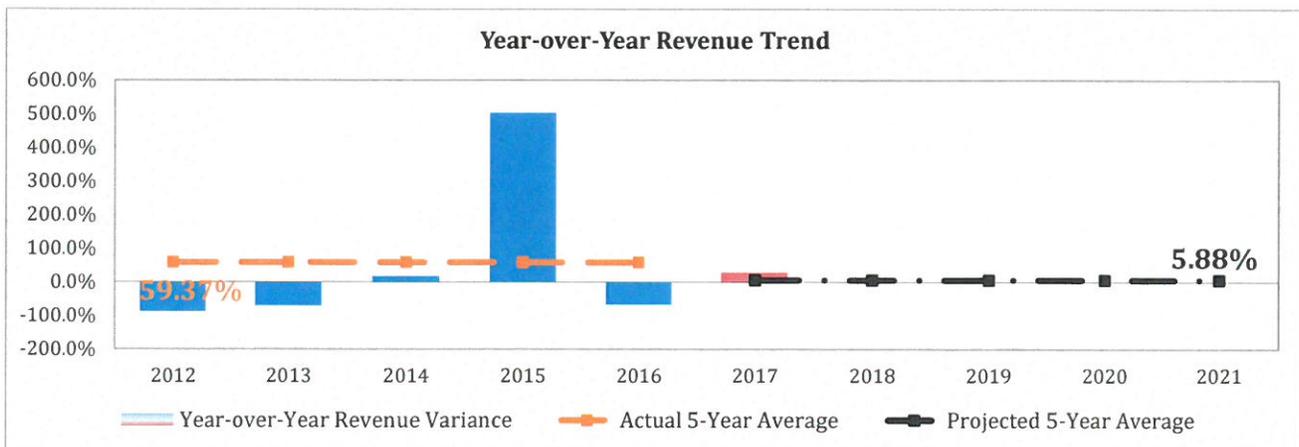
Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



**Restricted grants-in-aid constitutes .16% of the District's total operating revenue.**

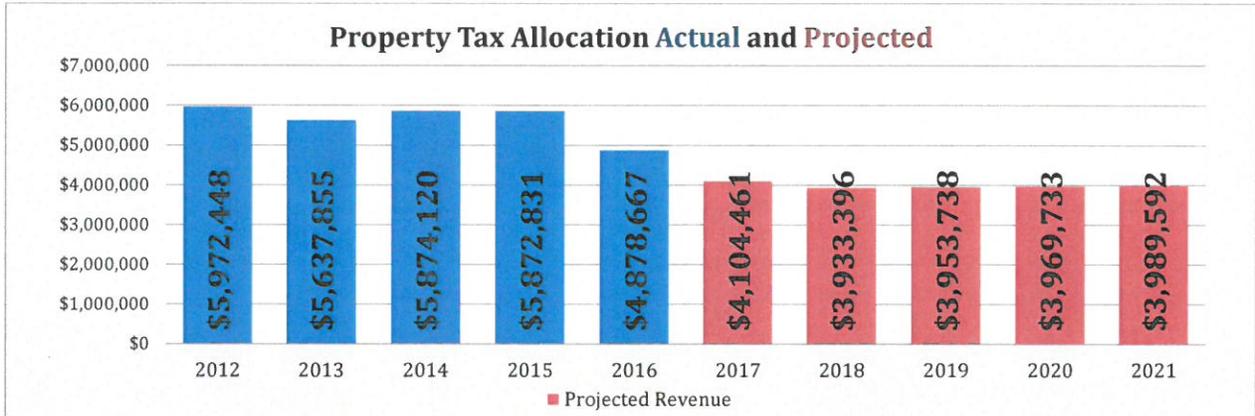
A portion of the District's per pupil formula funding must be classified as restricted. This includes funding for economic disadvantaged aid and career technical aid.

Annually, the District applies for catastrophic aid to recover some special education costs. These revenue sources are projected to remain relatively unchanged throughout this Forecast. As you can see in the graph, there is a spike in FY2015 due to receipt of two years of catastrophic aid reimbursement, but moving forward the Forecast models a single year's reimbursement for fiscal years 2017 through 2021.



### 1.050 - Property Tax Allocation

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



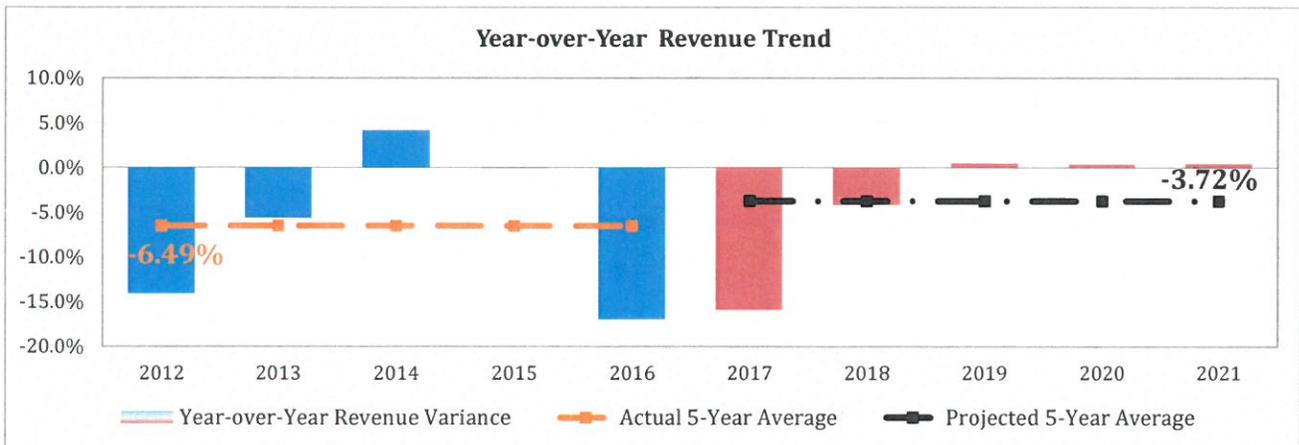
**Property Tax Allocation constitutes 9.53% of the District's total operating revenue.**

**What is included in Line 1.050?**

**12.5% Rollback** on all owner/occupied properties which is estimated to total \$3.1M in FY17. This reimbursement will no longer be applied to any new levies approved by the voters.

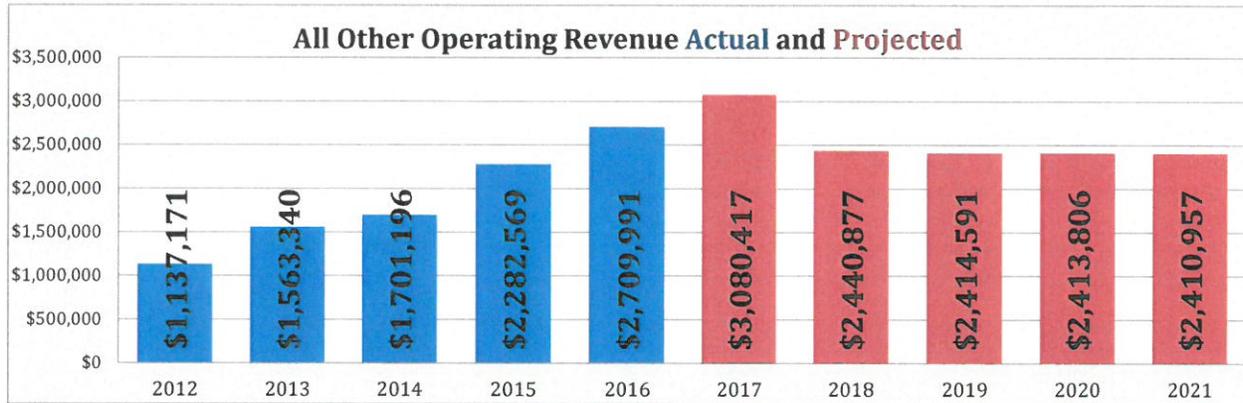
**Homestead Exemption**, which is estimated to total \$809K in FY17, allows low-income senior citizens and permanently and totally disabled Ohioans to reduce their property tax bills in the form of a credit on property tax bills and allows qualifying homeowners to exempt up to \$25,000 of the market value of their homes from all local property taxes.

**Tangible Personal Property Reimbursement (TPP)** for Ohio's 2005 tax reform which removed this local source of taxation and replaced it with a reimbursement. This reimbursement was \$3.2M in FY11. In FY17, the District is estimated to receive \$189,142. Last year, the District received \$975,719 in tangible personal property reimbursement.



### 1.060 - All Other Operating Revenues

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



**All Other Operating Revenues constitute 7.15% of total operating revenue.**

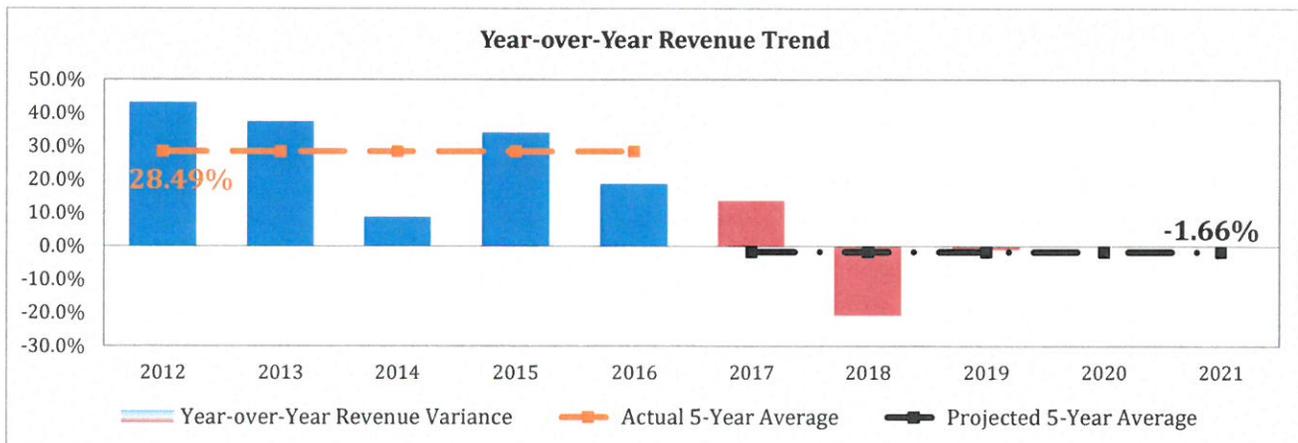
**What is included in Line 1.060?**

Tax Incremental Financing (TIF) payment made in lieu of taxes. The spike in the graph was due to receipt of the first TIF payment for the Rocksino in Northfield Village as well as a catch-up TIF from the City of Macedonia for the Mary Maria property. In FY16, the District received a full year collection of the TIF for the Rocksino totaling \$944K. The District assumes the continuation of the TIF payments.

For FY17, the District will receive one time additional revenue from two negotiated settlements.

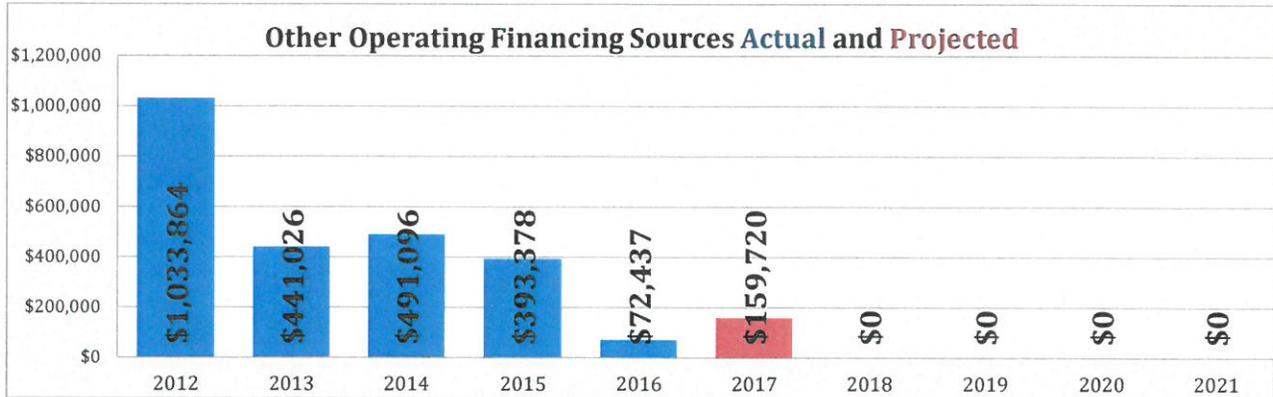
Tuition payments from parents for all-day kindergarten (\$310K) and from other districts whose students are educated at Nordonia schools (\$250K) in FY17.

Academic fees, participation fees for extra-curricular activities, administrative fees for managing the Auxiliary Services funds for St. Barnabas and Lawrence Schools, interest earnings on investments, rentals, field trips, Medicaid reimbursements and miscellaneous revenue. The Forecast assumes the continuation of all-day kindergarten tuition through FY21.



### 2.070 - Total Other Financing Sources

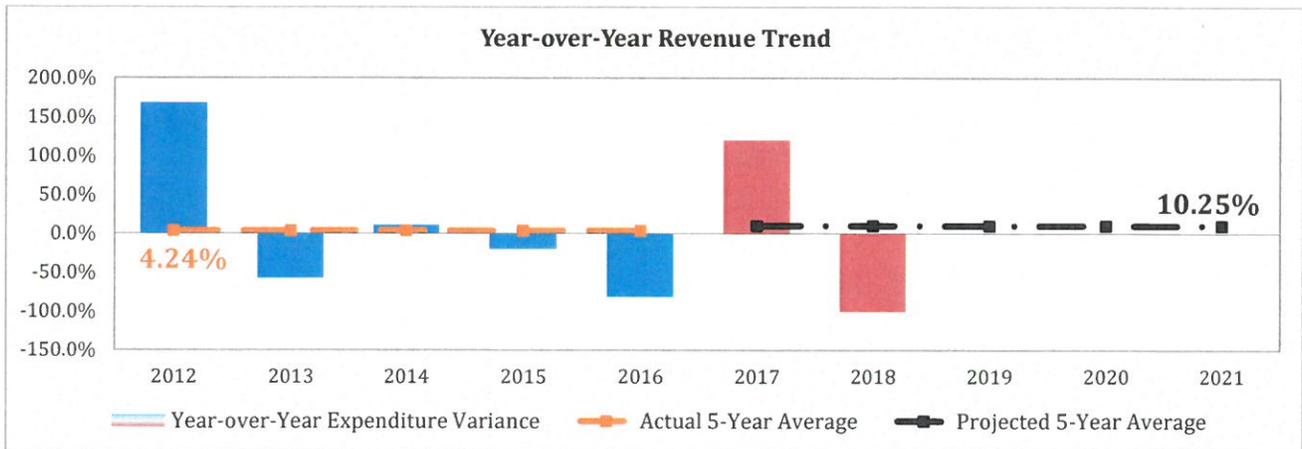
Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



#### Other Operating Financing Sources - Line 2.070

The primary Other Financing Sources are refunds of prior year expenditures. In FY17, the District anticipates receiving e-rate refunds from on the District's telecommunication services. Also, included in this line is the proceeds from the sale of capital assets (school buses, equipment or furniture).

There is no revenue projected forward because you don't know when and/or if refunds will occur.



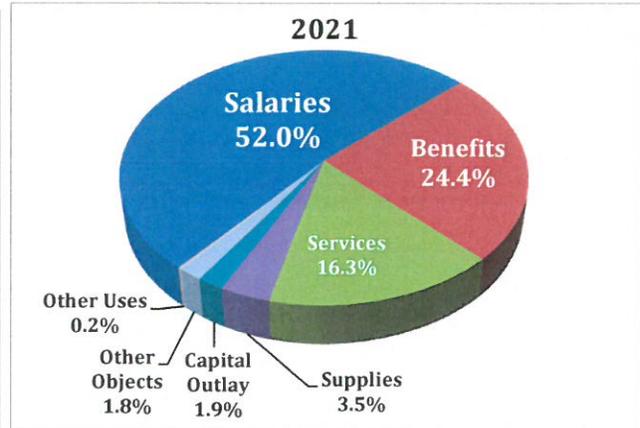
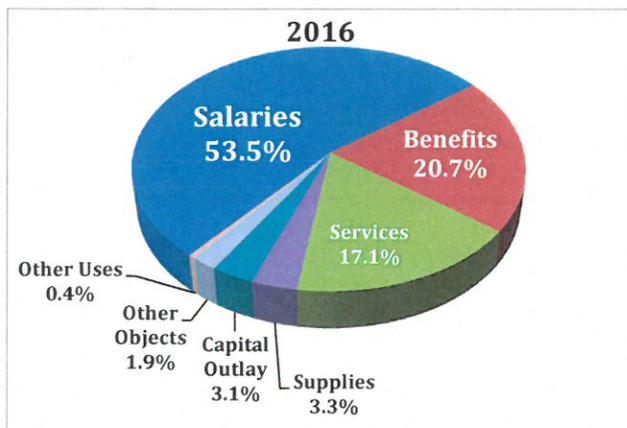
## Expenditures Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	
<b>Expenditures:</b>							
3.010-Salaries	-1.32%	6.17%	3.19%	3.02%	3.02%	3.02%	3.69%
3.020-Benefits	-1.74%	-1.26%	23.87%	5.91%	5.97%	6.03%	8.10%
3.030-Purchased Services	11.60%	17.89%	-4.43%	1.31%	1.39%	1.34%	3.50%
3.040-Supplies & Materials	4.90%	30.74%	-2.10%	0.78%	0.94%	0.94%	6.26%
3.050-Capital Outlay	53.82%	-43.56%	30.70%	0.00%	0.00%	0.00%	-2.57%
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	6.13%	6.23%	6.74%	0.09%	0.09%	0.09%	2.65%
4.500-Total Expenditures	0.71%	5.91%	6.04%	3.17%	3.24%	3.27%	4.33%
5.040-Total Other Uses	108.79%	-56.79%	-0.03%	-0.03%	-0.03%	-0.03%	-11.38%
5.050-Total Exp & Other Uses	0.34%	5.64%	6.03%	3.17%	3.23%	3.27%	4.27%

Total operating expenditures for FY17 are estimated to total \$43.4M. As with most school district in Ohio, the largest expenditure is personnel costs (salaries and benefits). In fiscal year 2017, the base salaries increased two (2) percent with increases for vertical and educational steps. As salaries increase, so do the benefits that are a percentage of salaries (retirement contributions – 14%, Medicare – 1.45% and Workers’ Compensation).

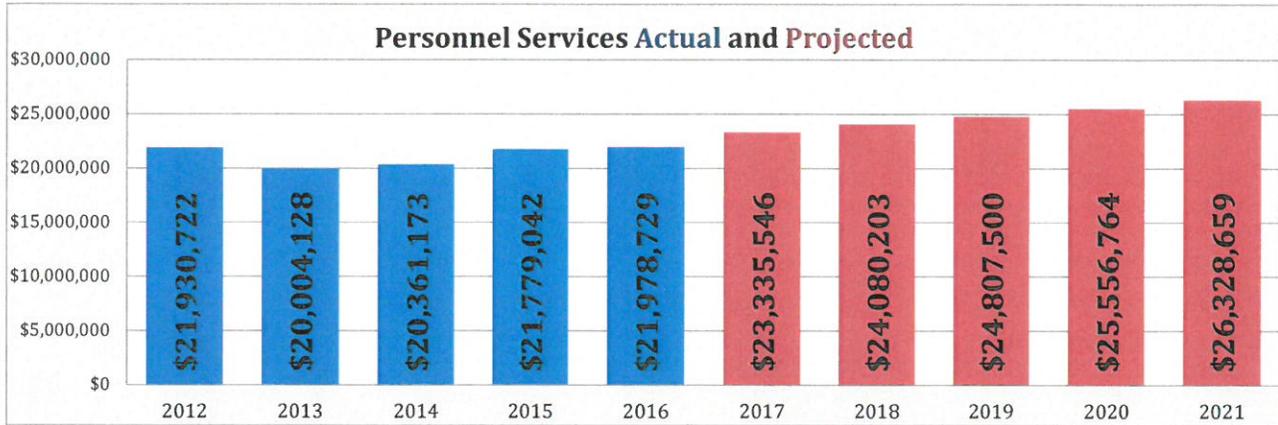
Based on the Board’s negotiations, employees’ premium share for insurance premiums increased one (1) percent in FY17 which reduces the District’s costs. Employees currently pay for medical and dental insurances 15% for family coverage and 12% for single coverage. The only exception is the administrators who pay 20% for medical, dental and vision insurances. In January 2015, the Stark County Council of Governments (COG) increased the deductibles, out of pocket expenses and added spousal language. In addition, the COG approved three premium holidays for fiscal year 2017 resulting in savings of approximately \$1.3M. No premium holidays are factored into the remaining years of the Forecast since there is no guarantee the District will receive them.

Budget development is a collaborative effort with superintendent and all administrators actively involved. Since the District does not have a permanent improvement fund, all major improvements are prioritized and paid from the District’s operating fund.



### 3.010 - Personnel Services

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



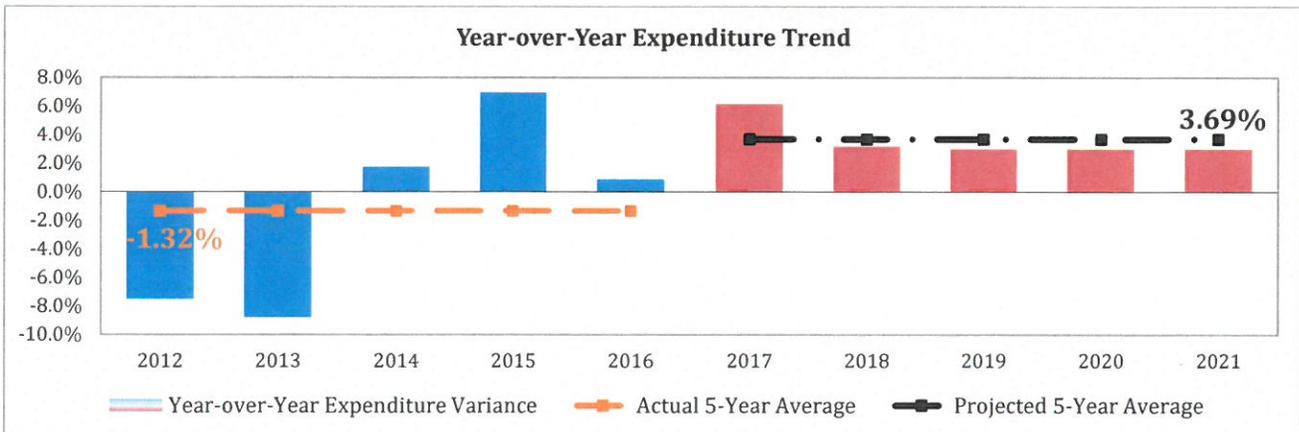
**Personnel Services constitute 53.86% of the District's total operating expenditures.**

The Forecast reflects two (2) percent increases to base salaries for fiscal years 2015 to 2017 based on the negotiated agreement with all employee groups with estimated increases of one (1) percent in the remaining fiscal years in addition to vertical steps and educational steps.

**What is included in Line 3.010?** Salaries for:

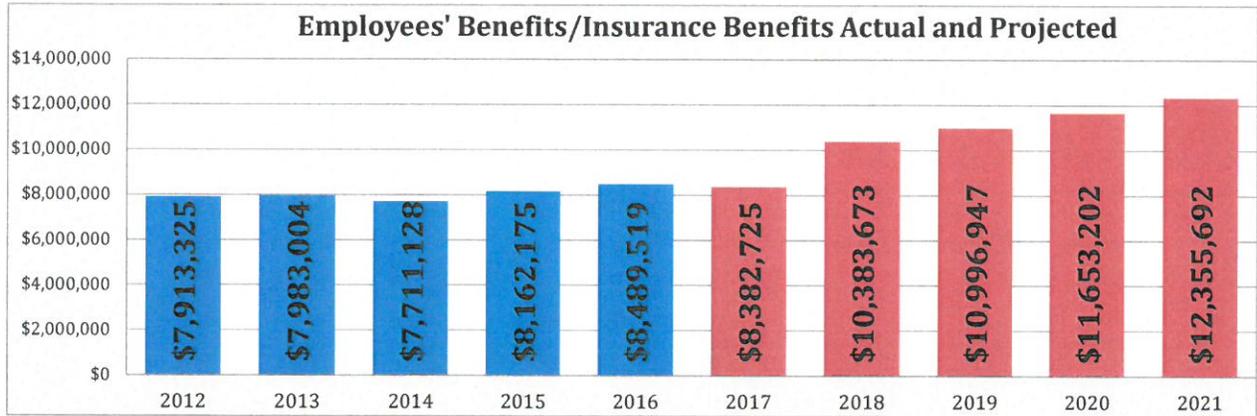
- Certified Employees (teachers, counselors, psychologists, speech and language pathologists) - 69.84%
- Classified employees (custodians, administrative assistants, bookkeepers, building interventionists, one-on-one interventionists, paraprofessionals, student supervisors and maintenance) - 17.54%
- Administrators (Superintendent, Treasurer, Directors, Principals, and Associate Principals) - 7.12%
- Supplemental contracts, Substitutes, and Overtime - 5.18%
- Severance payments for retiring employees - .32%

In FY17, the District hired 2.5 teachers and 6 building interventionists with additional hours for some current building interventionists. Three part-time custodial helpers will be hired during this school year.



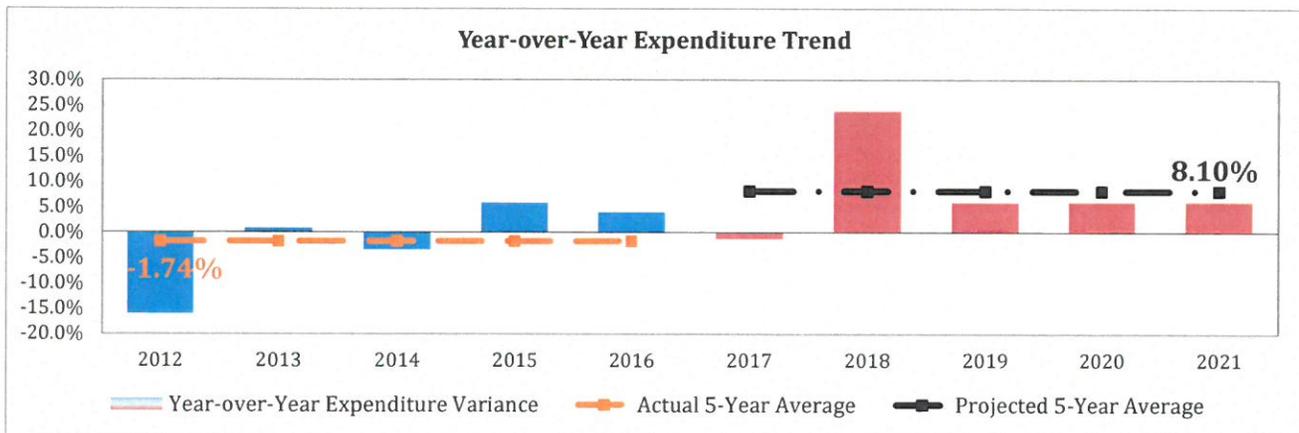
### 3.020 - Employees' Benefits

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



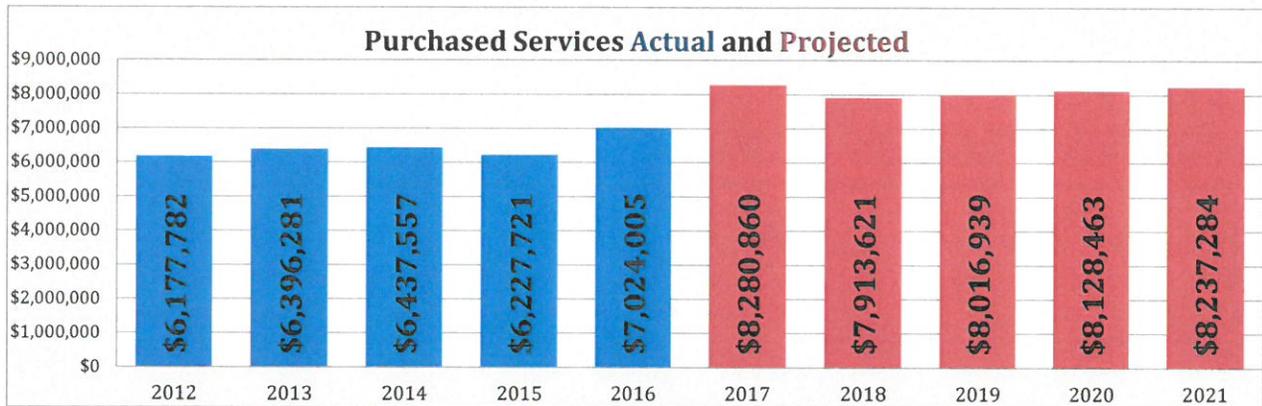
**Employee Benefits/Insurance Benefits constitute 19.35% of the District's total operating expenditures.**

**What is included in Line 3.020?**  
**Retirement contributions** for employees – 14% of employee salaries (State Teachers Retirement System (STRS) for all certificated employees and School Employees Retirement System (SERS) for all classified employees.  
**Medicare** – 1.45% of employee salaries. Workers' Compensation and Unemployment Compensation.  
**Insurances** - premiums paid for medical, dental, vision and life insurances. The District participates in the Stark County Council of Governments (COG) consortium. In FY17, the District received a 2.5% increase to all lines of insurance except life insurance. In the subsequent years, the District estimates an eight (8) percent increase. In addition, the District received three (3) premium holidays which were taken in July, August and September of this fiscal year. Simply stated, the District as well as employees do not pay insurance premiums during July, August and September. The District only pays the difference between the monthly calculation for medical insurance and the June premiums. No premium holidays are factored in the subsequent years of the forecast because there are no guarantees the COG will approve them.



### 3.030 - Purchased Services

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



*Purchased Services constitute 19.11% of the District's total operating expenditures.*

**What's included in Line 3.030?**

**Pupil transportation services** - In May 2014, the Board entered into a five (5) year contract with Petermann with annual increases of 2.5% through July 31, 2019. In FY16, the Board approved the reinstatement of busing for students in grades K-12 living outside of one mile from their school

**Utilities** (electricity, natural gas, telephones, trash removal, water and sewer costs).

**Tuition to Other Districts** who are educating Nordonia students.

**Community School Transfers** (\$341K) to 15 districts educating 49.23 students.

**Peterson scholarship transfers** \$155K to 6 schools for 16 special needs students.

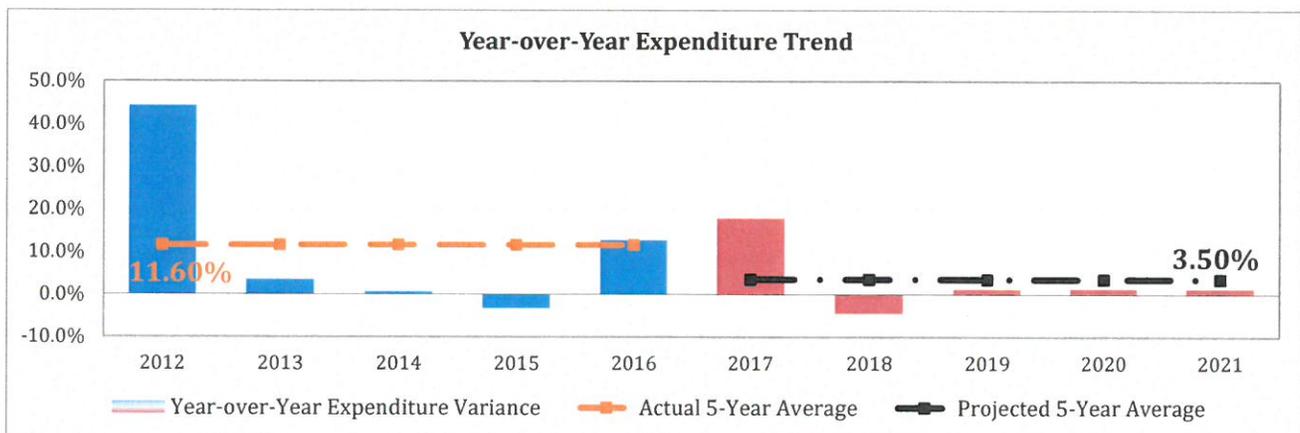
**Autism scholarship transfers** \$149K for 8.51 special needs students.

**Teacher substitute services** provided by Rachel Wixey & Associates.

**Pupil nursing services** provided with Akron Childrens' Hospital.

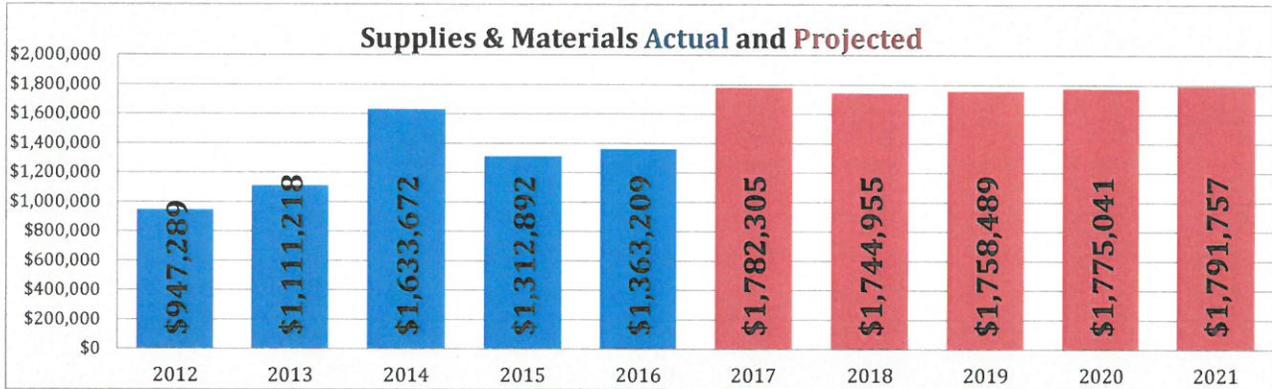
**Special education pupil transportation services** provided by Suburban Transportation.

**Data processing services** provided through NEONET.



### 3.040 - Supplies & Materials

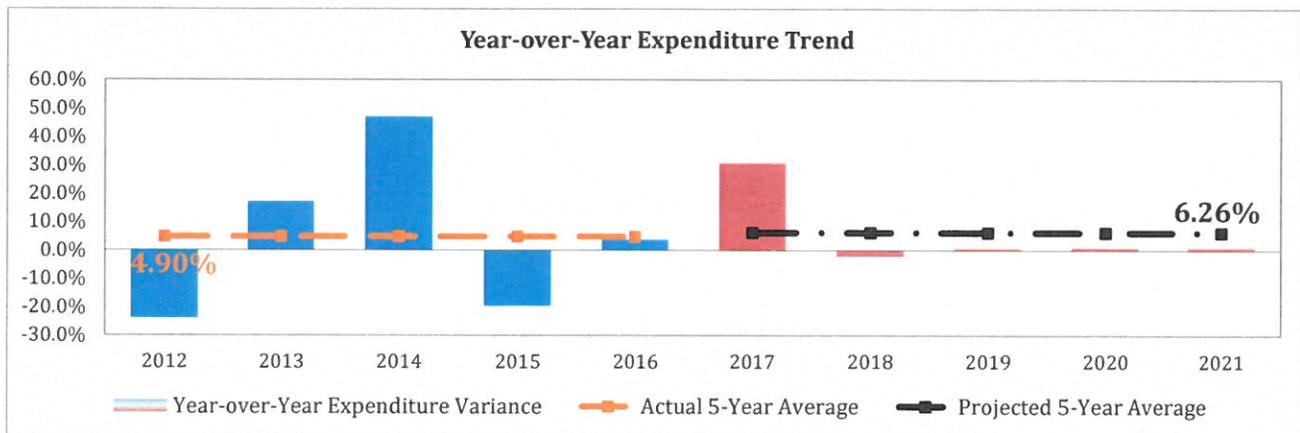
Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.



**Supplies constitute 4.11% of the District's total operating expenditures.**

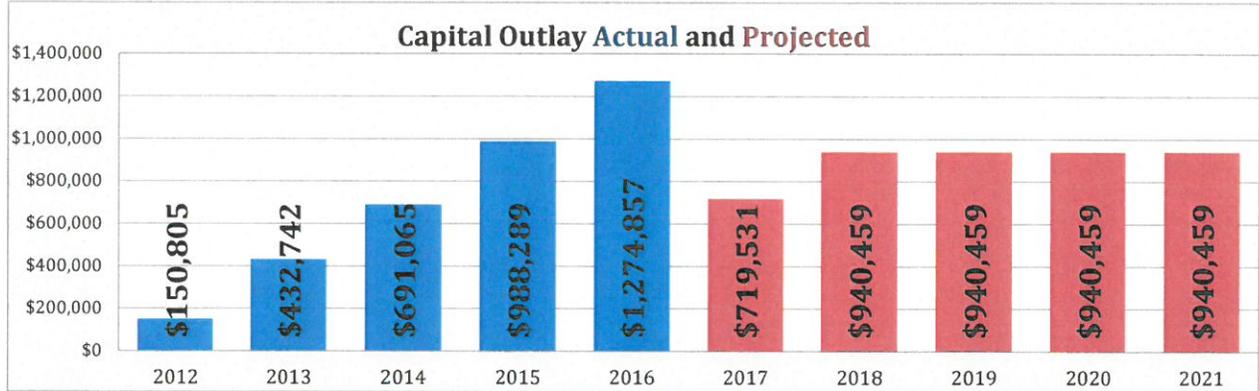
**What's included in Line 3.040?**

- Textbooks, Curriculum Materials, Consumable Materials (workbooks)
- Technology supplies and software to support our educational programs.
- Custodial and maintenance supplies to support the District's six educational facilities, transportation and maintenance buildings.
- Fuel for the school buses, vans, maintenance and security vehicles.
- Library books, newspapers and periodicals.
- Instructional materials and supplies
- Administrative supplies and materials for the main offices in our schools.
- Nursing supplies for the school's clinics



### 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.

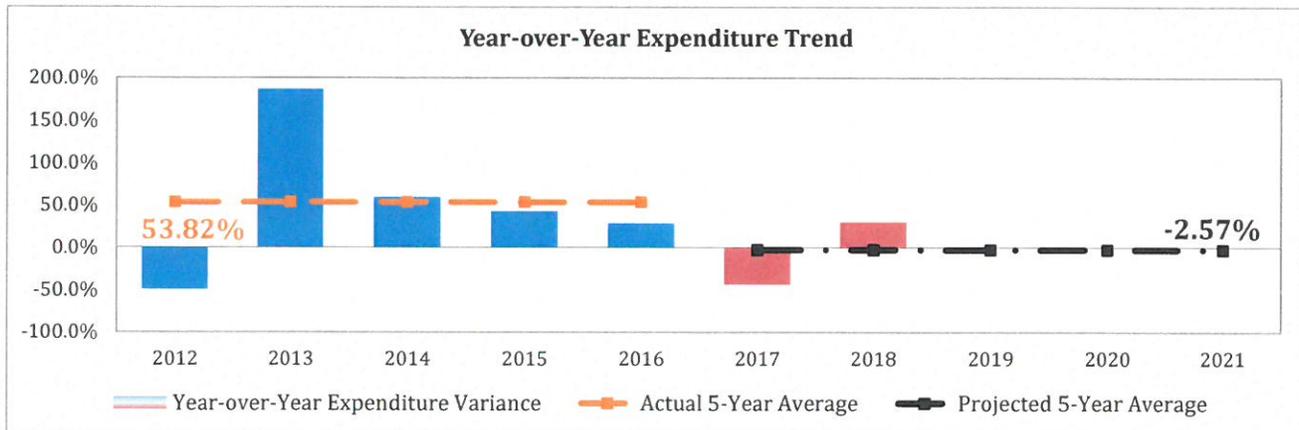


**Capital Outlay constitutes 1.66% of the District's total operating expenditures.**

**What's included in Line 3.050?**

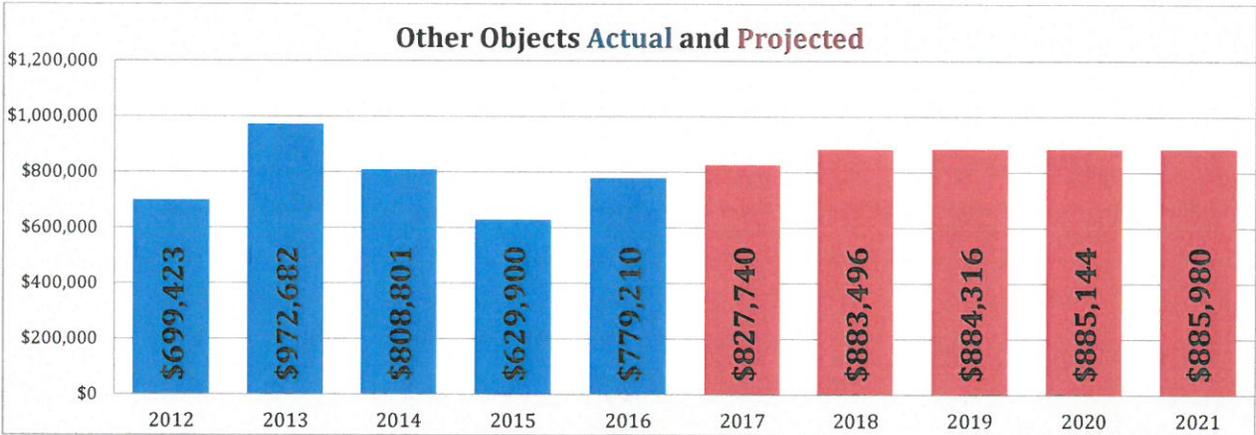
- Classroom furniture and furnishings for six school buildings
- Computers to support the District's one to one initiative  
(In FY16, the District purchased 1,200 chromebooks for middle school and Lee Eaton students. In June 2016, the District advanced funding from FY17 budget to allow the purchase of 1,800 chromebooks for high school students as well as third and fourth graders at all elementary schools. This allowed the District to lock in pricing that included the installation and setup of all the chromebooks.
- Technology infrastructure to support the classroom computers
- Maintenance vehicles
- Security upgrades including cameras, bearcade system, replacement doors.
- Building and grounds improvements including asphaltting, roofing, concrete work, etc.

**Permanent improvements are included in the Forecast on a prioritized basis for larger projects.**



### 4.300 - Other Objects

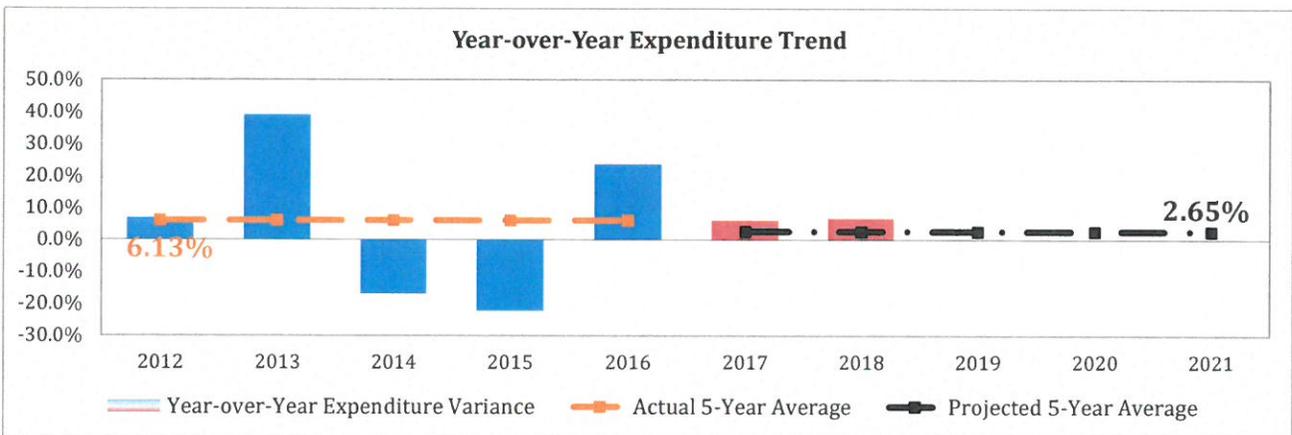
Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



*Other Objects constitute 1.91% of the District's total operating expenditures.*

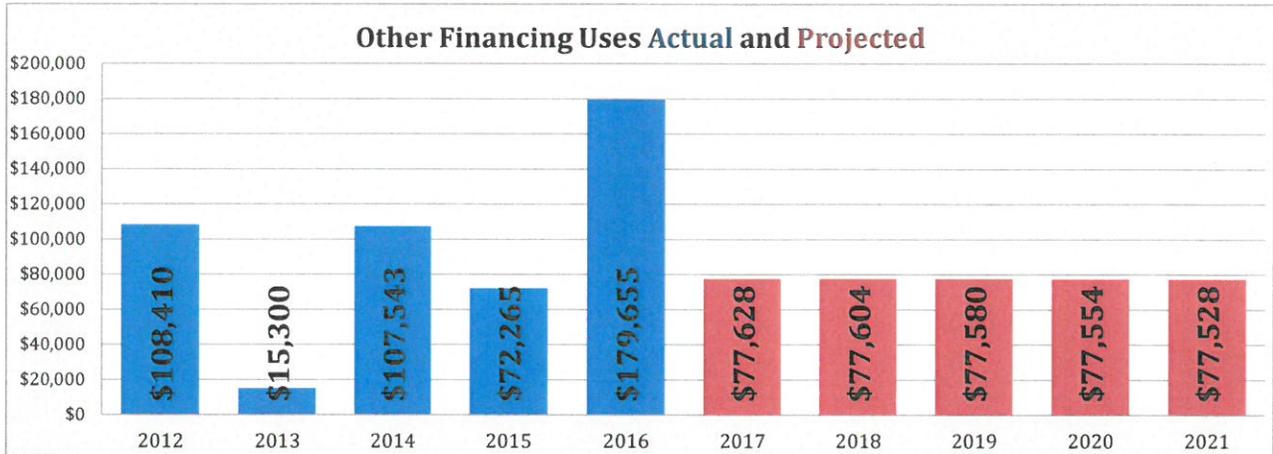
**What's included in Line 4.300?**

- Summit County Auditor and Treasurer fees are assessed based on approximately 1.5% of the tax collections.
- Summit County Land Bank fees
- Delinquent Tax Assessment fees are approximately .2% of tax collections.
- Election fees are assessed when the District is on the ballot including board member elections.
- Summit County ESC fees are assessed for services provided by the Educational Service Center.
- Liability insurance
- Professional membership fees
- Bank fees
- Annual audit fees



### 5.040 - Total Other Financing Uses

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



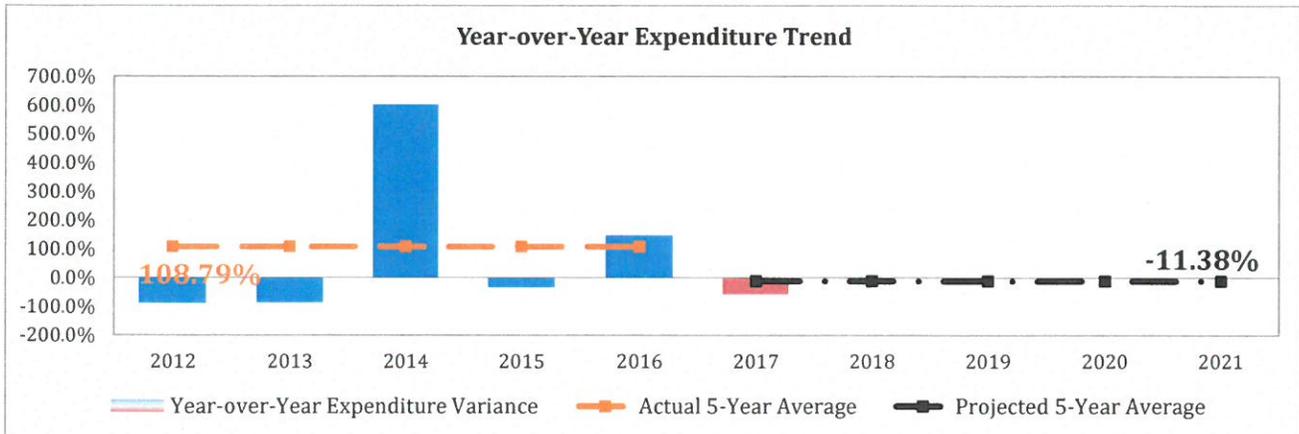
#### Other Financing Uses

##### What's included in Line 5.010?

Operational transfer-out is money transferred from the District's operating fund (General Fund) into another fund. In September 2013, the District approved the issuance of energy conservation improvement bonds in the amount of \$729,744. The bonds were purchased by First Merit Bank at an interest rate of 3.39%. The money from the energy savings is transferred annually from the General Fund to the Bond Retirement Fund (002) to pay the principal and interest on the energy conservation bonds in December and June.

##### What's included in Line 5.020?

Advances out is money temporarily advanced from the General Fund to other funds who may not have sufficient balances to close the fiscal books at June 30. In FY16, the District advanced funds to two federal grants and in FY17, the funds were repaid. Due to changes in the cash management of the federal grants, funds must be expended within five (5) days of receipt of the money. A cash advance from the Ohio Department of Education cannot be requested to cover encumbrances. Funds cannot have a negative unencumbered balance at June 30.



## 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: 05/24/2016	Current Forecast Amounts For F.Y. 2017 Prepared on: 10/25/2016	Dollar Difference Between Previous and Current	Percent Difference Between Previous and Current
<b>Revenue:</b>					
1	Real Estate & Property Allocation	\$31,362,936	\$31,350,265	-\$12,671	0.0%
2	Public Utility Personal Property	\$2,032,449	\$2,229,883	\$197,434	9.7%
3	Income Tax	\$0	\$0	\$0	n/a
4	State Foundation Restricted & Unrestricted	\$6,388,952	\$6,397,481	\$8,529	0.1%
5	Other Revenue	\$2,199,763	\$3,080,417	\$880,654	40.0%
6	Other Non Operating Revenue	\$0	\$159,720	\$159,720	n/a
7	<b>Total Revenue</b>	<b>\$41,984,100</b>	<b>\$43,217,766</b>	<b>\$1,233,666</b>	<b>2.9%</b>
<b>Expenditures:</b>					
8	Salaries	\$23,011,125	\$23,335,546	\$324,421	1.4%
9	Fringe Benefits	\$8,092,097	\$8,382,725	\$290,628	3.6%
10	Purchased Services	\$7,185,399	\$8,280,860	\$1,095,461	15.2%
11	Supplies, Debt, Capital Outlay & Other	\$3,180,915	\$3,329,576	\$148,661	4.7%
12	Other Non Operating Expenditures	\$77,628	\$77,628	\$0	0.0%
13	<b>Total Expenditures</b>	<b>\$41,547,164</b>	<b>\$43,406,335</b>	<b>\$1,859,171</b>	<b>4.5%</b>
14	<b>Revenue Over/(Under) Expenditures</b>	<b>\$436,936</b>	<b>-\$188,569</b>	<b>-\$625,505</b>	<b>-1.5%*</b>
15	<b>Ending Cash Balance</b>	<b>\$20,401,031</b>	<b>\$20,194,463</b>	<b>-\$206,568</b>	<b>-0.5%*</b>

\*Percentage expressed in terms of total expenditures

Looking at the comparison to the May 2016 forecast you will see the following changes.

On the revenue side, overall revenue increased by \$1.2M.

- Tax revenue is calculated based on the millage rates and property valuations for both real estate taxes, property tax allocation and public utility personal tangible taxes.
- Other revenue increase is due to two property tax settlements that will be one-time revenue.
- Other non-operating revenue increased due to the return of the fund advance from the federal grants and the refund of prior year expenditures to be received this fiscal year.

On the expenditure side, overall expenditures increase \$1.9M.

- Salaries increased due to the hiring of two and a half certified employees, building interventionists and part-time custodial helpers.
- Benefits increased because of the additional hiring, increased hours for some building interventionists as well as workers' compensation transitional costs.
- Purchased services increased due to higher special education estimates and higher utility estimates.
- Supplies/Capital Outlay increased due to the building/departments budgets.

Bottom Line: The cash balance is estimated to be \$207K lower than anticipated.

NORDONIA HILLS CITY SCHOOL DISTRICT - - SUMMIT COUNTY

Fiscal Year:	Actual	FORECASTED				
	2016	2017	2018	2019	2020	2021
<b>Revenue:</b>						
1.010 - General Property Tax (Real Estate)	27,107,941	27,245,804	27,245,803	27,428,436	27,508,684	27,644,857
1.020 - Public Utility Personal Property	2,127,631	2,229,883	2,257,757	2,285,630	2,285,630	2,325,629
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	5,628,523	6,328,849	4,914,217	4,867,480	5,091,153	5,321,319
1.040 - Restricted Grants-in-Aid	53,106	68,632	68,767	68,762	68,752	68,746
1.045 - Restricted Federal Grants - SFSF	-	-	-	-	-	-
1.050 - Property Tax Allocation	4,878,667	4,104,461	3,933,396	3,953,738	3,969,733	3,989,592
1.060 - All Other Operating Revenues	2,709,991	3,080,417	2,440,877	2,414,591	2,413,806	2,410,957
<b>1.070 - Total Revenue</b>	<b>42,505,859</b>	<b>43,058,046</b>	<b>40,860,817</b>	<b>41,018,636</b>	<b>41,337,759</b>	<b>41,761,100</b>
<b>Other Financing Sources:</b>						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	-	102,005	-	-	-	-
2.060 - All Other Financing Sources	72,437	57,715	-	-	-	-
<b>2.070 - Total Other Financing Sources</b>	<b>72,437</b>	<b>159,720</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2.080 - Total Rev &amp; Other Sources</b>	<b>42,578,296</b>	<b>43,217,766</b>	<b>40,860,817</b>	<b>41,018,636</b>	<b>41,337,759</b>	<b>41,761,100</b>
<b>Expenditures:</b>						
3.010 - Personnel Services	21,978,729	23,335,546	24,080,203	24,807,500	25,556,764	26,328,659
3.020 - Employee Benefits	8,489,519	8,382,725	10,383,673	10,996,947	11,653,202	12,355,692
3.030 - Purchased Services	7,024,005	8,280,860	7,913,621	8,016,939	8,128,463	8,237,284
3.040 - Supplies and Materials	1,363,209	1,782,305	1,744,955	1,758,489	1,775,041	1,791,757
3.050 - Capital Outlay	1,274,857	719,531	940,459	940,459	940,459	940,459
3.060 - Intergovernmental	-	-	-	-	-	-
<b>Debt Service:</b>						
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	779,210	827,740	883,496	884,316	885,144	885,980
<b>4.500 - Total Expenditures</b>	<b>40,909,529</b>	<b>43,328,708</b>	<b>45,946,407</b>	<b>47,404,650</b>	<b>48,939,072</b>	<b>50,539,831</b>
<b>Other Financing Uses</b>						
5.010 - Operating Transfers-Out	77,650	77,628	77,604	77,580	77,554	77,528
5.020 - Advances-Out	102,005	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
<b>5.040 - Total Other Financing Uses</b>	<b>179,655</b>	<b>77,628</b>	<b>77,604</b>	<b>77,580</b>	<b>77,554</b>	<b>77,528</b>
<b>5.050 - Total Exp and Other Financing Uses</b>	<b>41,089,184</b>	<b>43,406,335</b>	<b>46,024,011</b>	<b>47,482,230</b>	<b>49,016,627</b>	<b>50,617,360</b>
<b>6.010 - Excess of Rev Over/(Under) Exp</b>	<b>1,489,112</b>	<b>(188,569)</b>	<b>(5,163,194)</b>	<b>(6,463,593)</b>	<b>(7,678,868)</b>	<b>(8,856,260)</b>
7.010 - Cash Balance July 1 (No Levies)	18,893,920	20,383,032	20,194,463	15,031,269	8,567,676	888,808
7.020 - Cash Balance June 30 (No Levies)	20,383,032	20,194,463	15,031,269	8,567,676	888,808	(7,967,452)
8.010 - Estimated Encumbrances June 30	289,995	450,000	450,000	450,000	450,000	400,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
<b>10.010 - Fund Bal June 30 for Cert of App</b>	<b>20,093,037</b>	<b>19,744,463</b>	<b>14,581,269</b>	<b>8,117,676</b>	<b>438,808</b>	<b>(8,367,452)</b>
<b>Rev from Replacement/Renewal Levies</b>						
11.010 & 11.020 - Income & Property Tax-Renewal	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
<b>12.010 - Fund Bal June 30 for Cert of Obligations</b>	<b>20,093,037</b>	<b>19,744,463</b>	<b>14,581,269</b>	<b>8,117,676</b>	<b>438,808</b>	<b>(8,367,452)</b>
<b>Revenue from New Levies</b>						
13.010 & 13.020 - Income & Property Tax-New	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
<b>15.010 - Unreserved Fund Balance June 30</b>	<b>20,093,037</b>	<b>19,744,463</b>	<b>14,581,269</b>	<b>8,117,676</b>	<b>438,808</b>	<b>(8,367,452)</b>