



Springboro Community City School District

Financial Forecast Summary & Report

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Forecast Purpose

This forecast is intended to assist the school district in the financial management of its resources. The forecast will provide trend information to help in the determination of local tax levy needs, union negotiations, program resource allocation, and overall effort to balance the district's budget. The forecast is also intended to provide insight into the future, rather than reaction to the past.

This report includes information regarding key revenue and expenditure assumptions as well as the resulting implications. Particular attention should be given to not only the relationship of expenditures to revenue, but the rate of any adverse trend (expenditures exceeding revenue). Cash balance reserves should be recognized as the stabilizing resource that they are, rather than as a revenue source to support ongoing operations.

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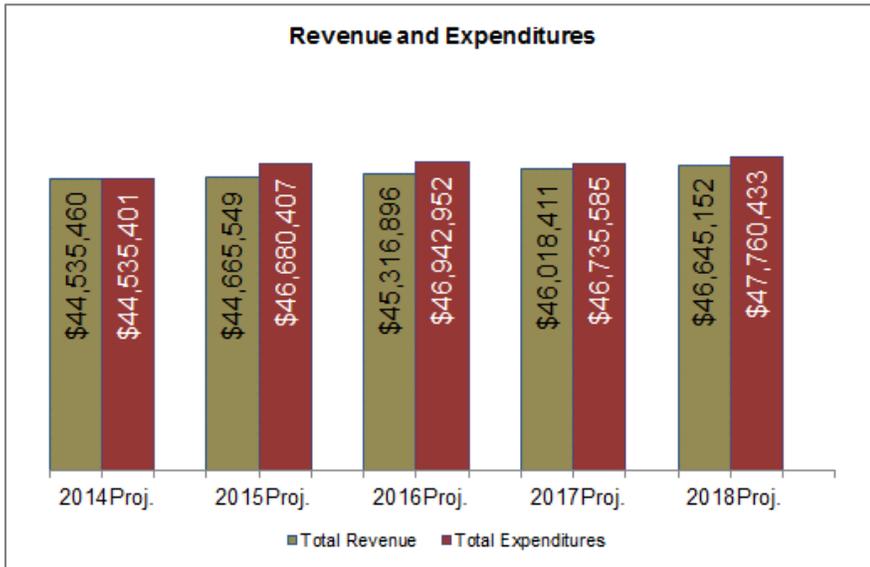
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Executive Summary

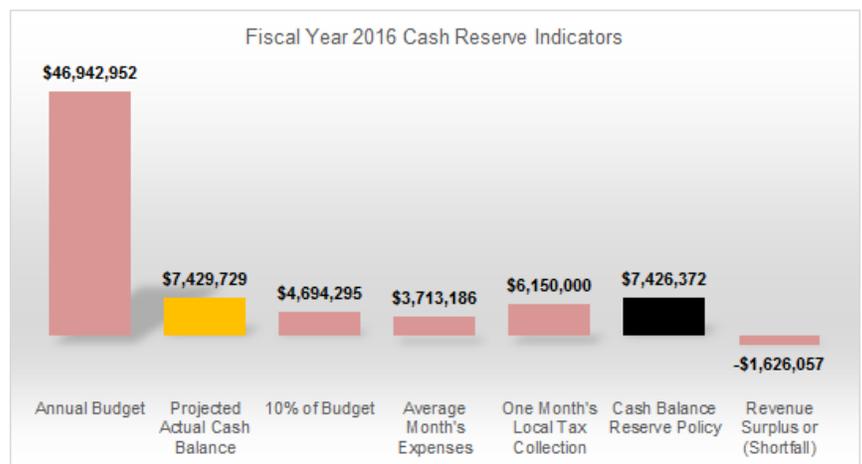
Revenue, Expenditures and Sustainability



The district's expenditures are projected to trend higher than revenue for the forecast period. During the interim period through 2016, the district's expenditures reflect planned textbook and capital expenditures. In 2017, the district's expenditures decline for textbook and capital expenditures to then be in-line with original planning. This reflects the district's planned front loading of resources to address textbook and capital costs in the first two years of the forecast.

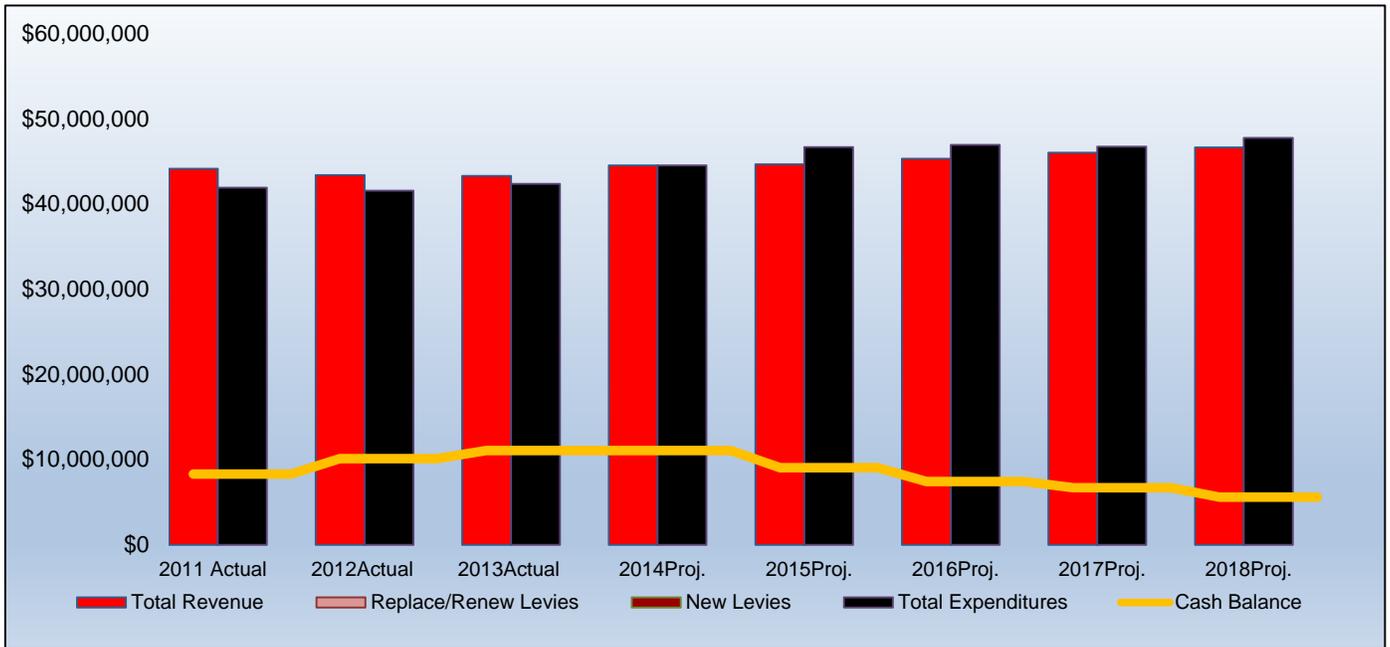
Cash Balance and Stability

The district is projected to remain stable through the interim forecast period ending June 30, 2016. The assumptions behind the financial forecast will lose some reliability over time thus an interim period of the current fiscal year plus two years is established. The 2016 forecast period provides the district with a valid benchmark of its revenue versus expenditures and the time to strategically construct a response. As the graph to the right reveals, the district's cash balance will remain adequate through June 30, 2016. At the same time expenditures are projected to exceed revenue by about \$1,626,057 in fiscal year 2016. The district's cash balance is projected to be \$7,429,729 which would support average monthly expenditures for two months.





Revenue, Expenditures and Cash Balance



	PROJECTED				
	2014	2015	2016	2017	2018
Total Revenue	\$44,535,460	\$44,665,549	\$45,316,896	\$46,018,411	\$46,645,152
Replace/Renew Levies	\$0	\$0	\$0	\$0	\$0
New Levies	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$44,535,401	\$46,680,407	\$46,942,952	\$46,735,585	\$47,760,433
Revenue Over/(Under) Expenditures	\$59	(\$2,014,858)	(\$1,626,057)	(\$717,174)	(\$1,115,281)
Cash Balance	\$11,070,644	\$9,055,786	\$7,429,729	\$6,712,556	\$5,597,275

In Perspective:

The district's revenue and expenditures are virtually balanced in 2014. The purchase of textbooks was deferred until 2015, which contributed to a reduction in 2014 expenses. In addition, one-time refund revenue of almost \$600,000 was received in 2014. With these two transactions accounted for in 2014, the district would actually realize a structural operating revenue shortfall of approximately \$1 million.

The 2015 revenue shortfall of \$2,014,858 is overstated because of the inclusion of 2014's deferred textbook expenditures.

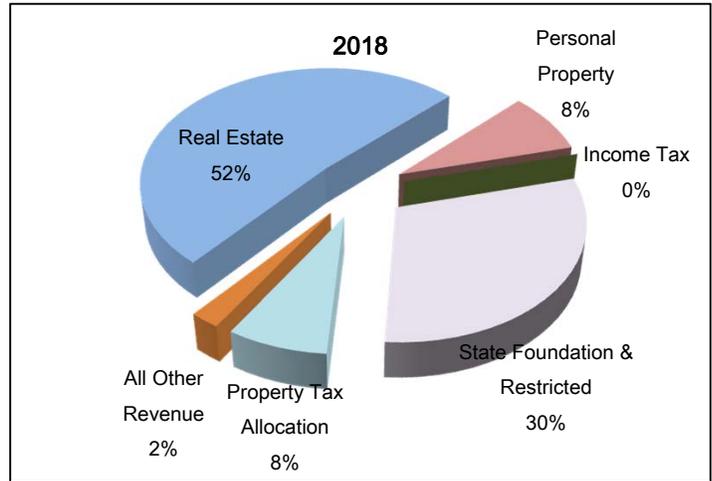
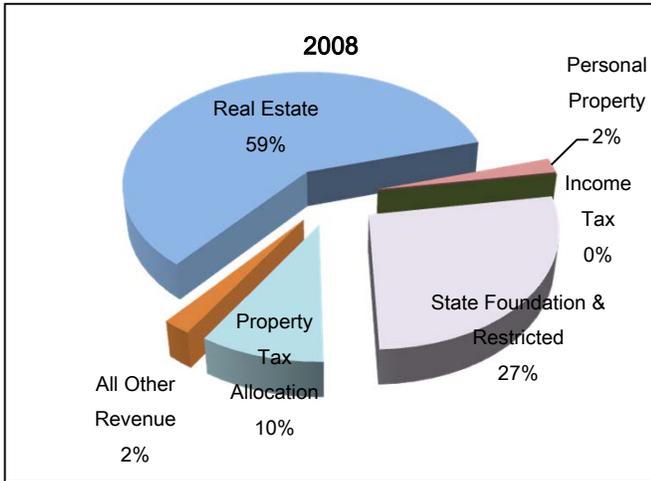
Salaries reflect no increases for the period 2016 - 2018. Health insurance cost change reflect the consultant's inflationary recommendation. A \$459,314 retirement incentive payment reduction occurs in 2017.

The district's capital and supply plans are incorporated into the forecast and can be reviewed on those notes.

Overall the district's forecast reveals revenue shortfalls with sufficient cash balance to stabilize operations.



Sources of Revenue and Annual Changes



	Previous 5-Year Average Annual %	PROJECTED					Projected 5-Year Average Annual %
		Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	
Real Estate	-0.53%	-1.89%	-1.56%	1.24%	1.41%	1.05%	0.05%
Personal Property	78.79%	-4.96%	-2.67%	0.93%	0.94%	1.28%	-0.90%
Income Tax	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State Foundation & State Restricted	-0.93%	14.08%	8.81%	1.92%	1.92%	1.93%	5.73%
Prop Tax Allocation	-1.67%	-2.42%	-1.70%	1.55%	1.57%	1.12%	0.03%
All Other Revenue	-2.79%	-5.80%	40.24%	2.00%	2.00%	2.00%	8.09%
Total Oper. Revenue	0.80%	1.66%	1.90%	1.46%	1.55%	1.36%	1.59%

Note: Existing Renewal Levies Included as Renewed, No New Levies Included

Line 1.07 Operating Revenue Only, Does not include Other Sources (Transfers, Advances, etc.)

State Unrestricted (1.034), Restricted (1.04), and Prior Years' SFSF (1.045) = "State Foundation & State Restricted"

In Perspective:

State funding as a percentage of the district's total revenue resources is projected to be significantly higher than the 2008 level. This shift is occurring because Ohio has implemented a new per pupil funding formula for its "foundation" program. See state funding supplement for details.

Public utility personal property has grown in recent years. This growth is attributed to new natural gas pipelines. Current work on these pipelines is in progress, but has not been incorporated in to the forecast.

All other revenue is increasing in 2015 because the district's student academic fees will be reflected in the general fund. This is an accounting change that will also cause corresponding expenditures to be reflected in the general fund as well.

Overall revenue is expected to increase 1.59% per year during the forecast period.



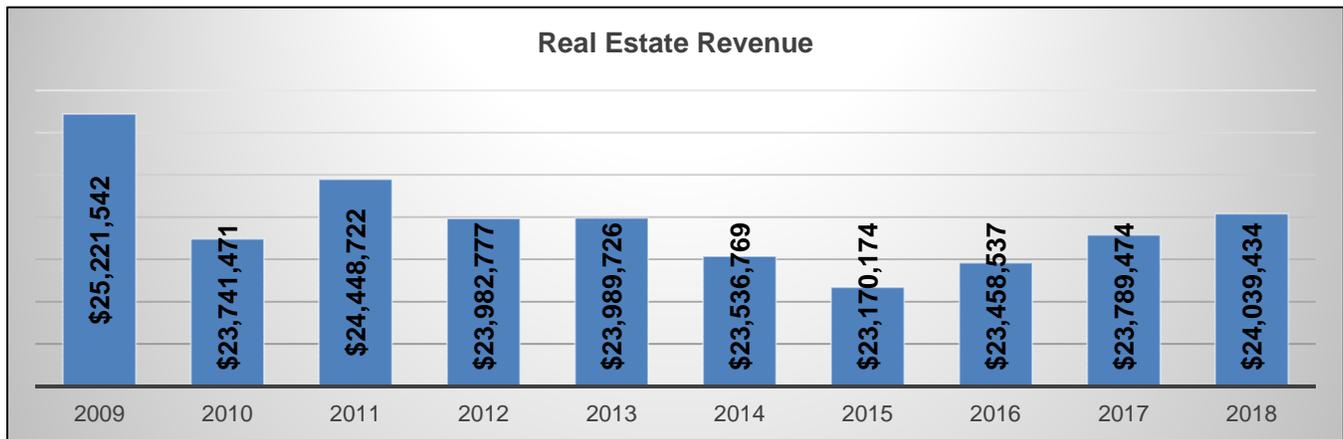
Significant Revenue Assumptions - I

Real Estate

Revenue is dependent upon valuations, tax rates, and collection (rate) performance by local taxpayers.

Tax Year	Real Property Valuation	Year-Over-Year Change	90.41% of Total Real Estate		9.59% of Total Real Estate		Gross Collection Rate All Taxes	
			Effective Residential Tax Rate	Year-Over-Year Change	Effective Business Tax Rate	Year-Over-Year Change		
2008	916,306,630	(57,071,980)						
2009	829,994,300	(86,312,330)	32.71	-	30.70	-		
2010	847,749,360	17,755,060	32.72	0.00	31.23	0.53	102.9%	Actual
2011	855,377,340	7,627,980	32.24	(0.48)	30.89	(0.34)	100.1%	Actual
2012	829,350,990	(26,026,350)	33.09	0.85	31.61	0.72	100.5%	Actual
2013	840,645,460	11,294,470	31.59	(1.51)	30.27	(1.34)	100.0%	Actual
2014	851,728,213	11,082,753	31.49	(0.10)	30.19	(0.08)	100.2%	Projected
2015	903,021,954	51,293,742	30.20	(1.29)	29.56	(0.62)	99.9%	Projected
2016	914,585,936	11,563,982	30.14	(0.06)	29.48	(0.08)	99.8%	Projected
2017	927,535,509	12,949,574	30.04	(0.10)	29.40	(0.09)	99.8%	Projected

Note: Tax Rates Include Existing Renewal Levies Included as Renewed, No New Levies Included



In Perspective:

The district's taxable real estate declined \$26,026,350 in response to the recession. Since 2012 there has been some new construction growth. In 2015, the district is scheduled to go through property reassessment at the county level. This reassessment is projected to add \$51,293,742 to the district's valuation. In response to this inflationary pressure, the tax rates (HB 920) will decline.

The other key component is the gross collection rate which measures the taxpayer's current collections plus their prior year delinquent payments relative to the current year's local taxes levied. The district has benefited from a rate at the 100% level, and this trend is projected to continue through 2017.

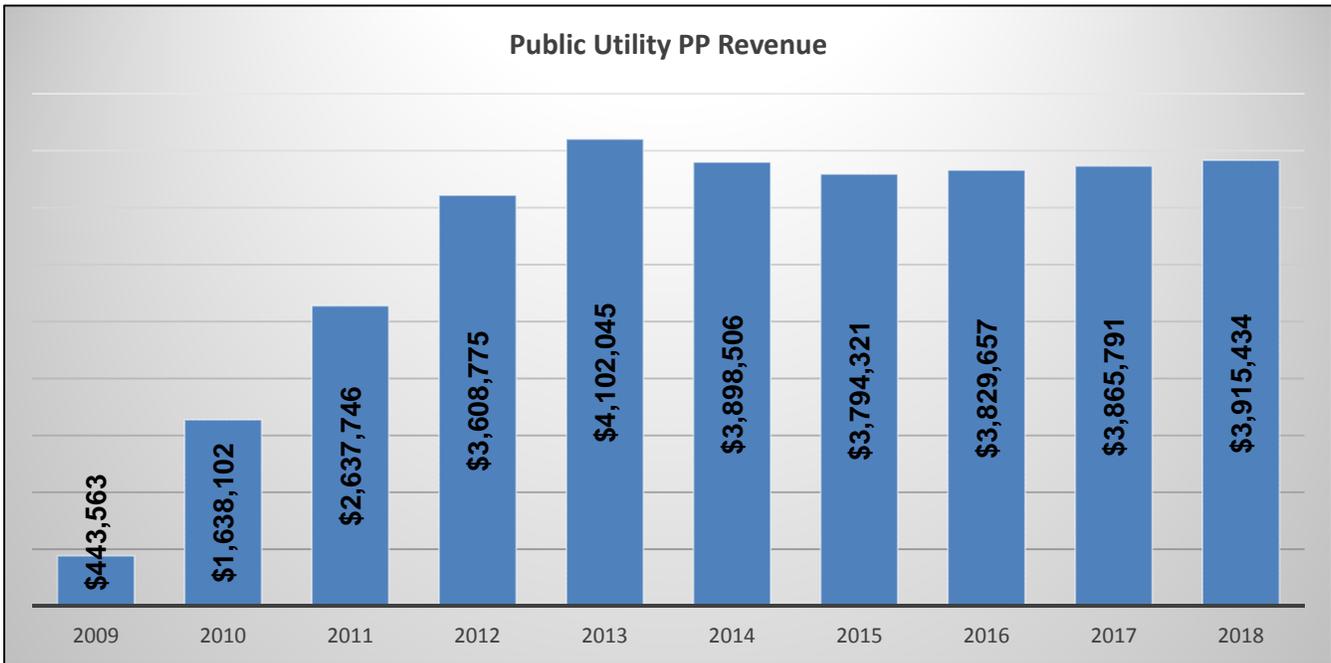
In summary, the real estate revenue is projected to decline in 2014 and 2015 because of the reduced emergency levy millage (tax rate). Then slight gains will occur in response to new construction and limited inflation due to inside millage (taxes). The levy reduction accounts for a decline of about \$1.3 million.



Significant Revenue Assumptions - II

Public Utility Personal Property

Tax Year	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Tax Rate	53.49	51.98	51.87	51.40	51.30	51.18
Valuation	\$72,301,530	\$72,531,280	\$73,619,249	\$74,723,538	\$75,844,391	\$76,982,057



In Perspective:

2010 public utility values increased \$31 million, and increased an additional \$7 million in 2011. Revenue increased with valuation change. Nearly all of this growth is attributed to natural gas pipelines.

Revenue is expected to decline in 2014 because the district's millage was reduced from 53.49 mills to 51.98 total voted mills.

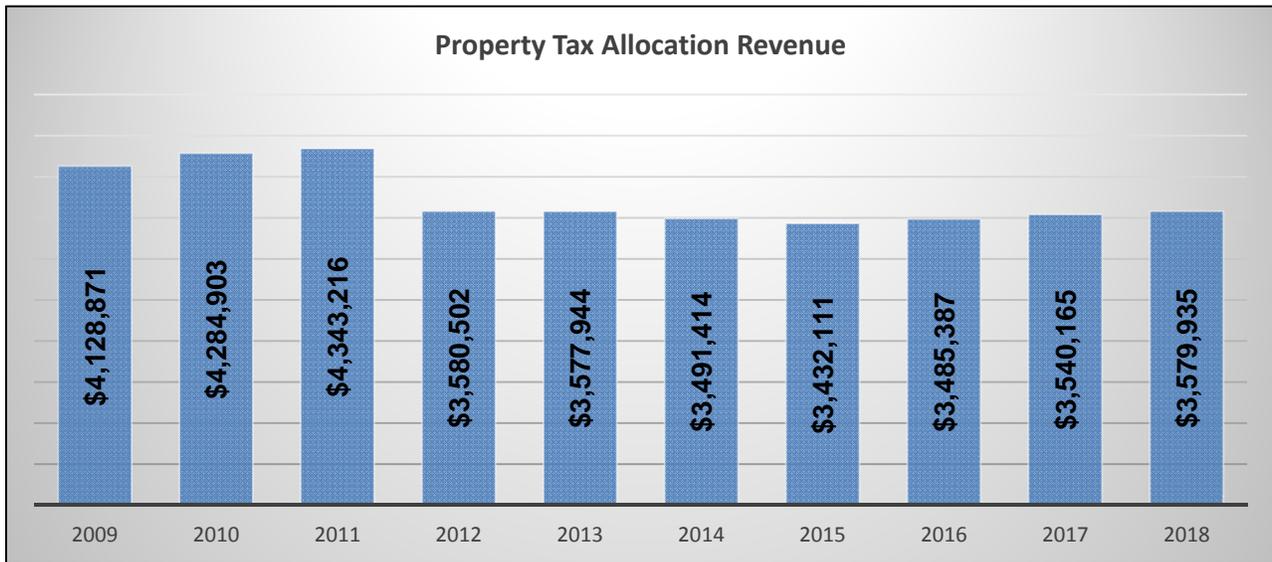
There is no provision for additional pipeline valuation. Each \$1 million in assessed valuation will generate approximately \$43,000 in revenue.



Significant Revenue Assumptions - III

Property Tax Allocation

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Reimbursement for:						
Tangible Pers. Fixed Rate	\$0	\$0	\$0	\$0	\$0	\$0
Tangible Pers Fixed Sum (Emerg.)	\$0	\$0	\$0	\$0	\$0	\$0
Reimbursement for Rollback and Homestead Real Estate	\$3,577,944	\$3,491,414	\$3,432,111	\$3,485,387	\$3,540,165	\$3,579,935



In Perspective:

The 2012 revenue decreased because the state phased out the district's tangible personal reimbursement.

The 2014 revenue decreased because of the emergency levy millage (tax rate) reduction.

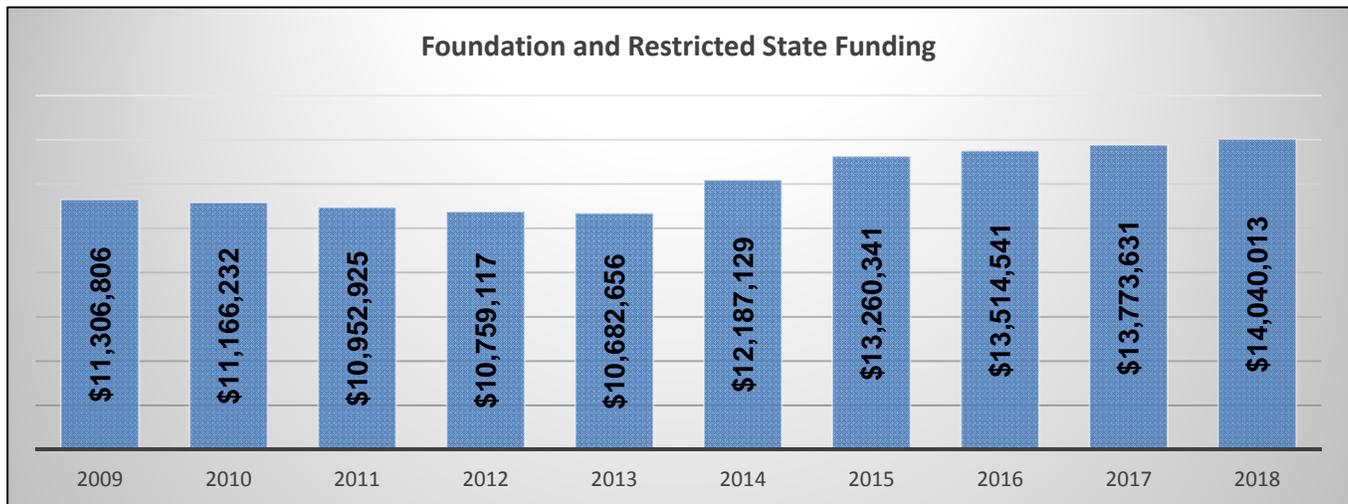
Projected calculations are based on valuations and tax rates in place.



Significant Revenue Assumptions - IV

Foundation and Restricted State Funding

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	
Funded Enrollment	5,730	5,802	5,821	5,836	5,894	
Valuation Per Pupil	\$156,630	\$156,630	\$154,260	\$154,260	\$160,895	
Per Pupil Core Funding	\$5,745	\$5,800	\$5,850	\$5,900	\$5,950	
State's Share	39.3%	39.3%	39.3%	39.3%	38.3%	
Net Per Pupil (State Share)	\$2,257	\$2,279	\$2,300	\$2,319	\$2,282	
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Core Foundation Funding	\$0	\$11,457,580	\$12,661,079	\$12,914,329	\$13,172,644	\$13,436,126
All Other State Funding	\$10,676,272	\$727,837	\$597,823	\$598,773	\$599,548	\$602,448
Restricted State Funding	\$6,384	\$1,712	\$1,439	\$1,439	\$1,439	\$1,439



In Perspective:

Ohio implemented a new state funding formula starting in 2014. The formula provides additional per pupil funding to the district. The state capped the maximum increase at 6.25% in 2014, and 10.5% in 2015. With the cap in place, the district has in excess of \$4 million in funding formula that is still owed.

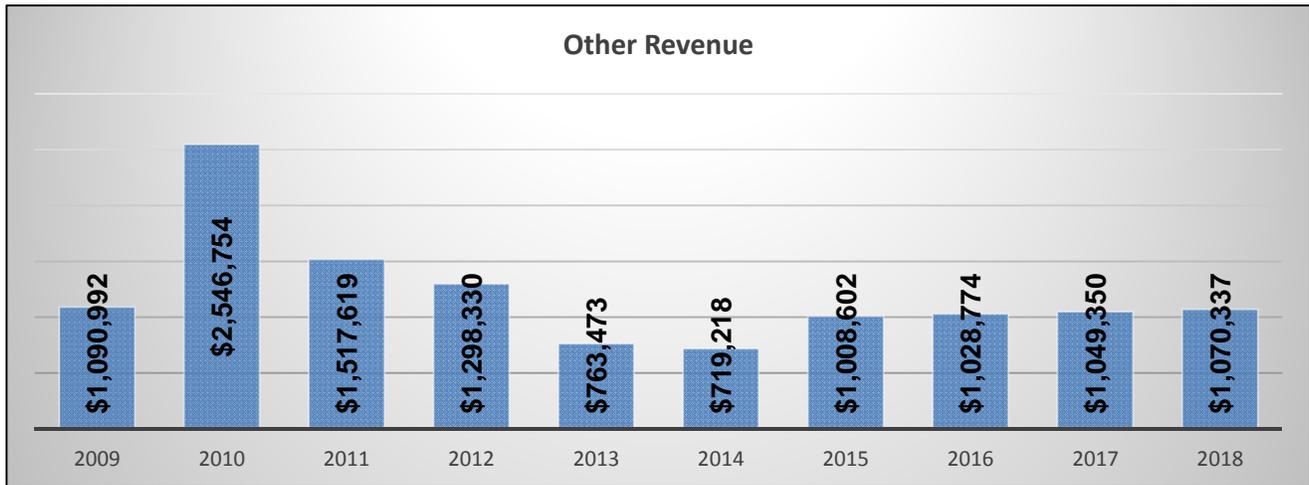
The trend towards unfunded formula continues throughout the forecast and is explained in more detail in this report in the state funding supplement section.



Significant Revenue Assumptions - V

All Other Revenue

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total	\$1,298,330	\$763,473	\$719,218	\$1,008,602	\$1,028,774	\$1,049,350	\$1,070,337



In Perspective:

Other revenue decreased in 2013 because pay to participate fees (approximately \$380,000) was moved to the athletic fund. In addition, the district had been receiving Developmental Disabilities Board payments that were not received in 2013 and beyond

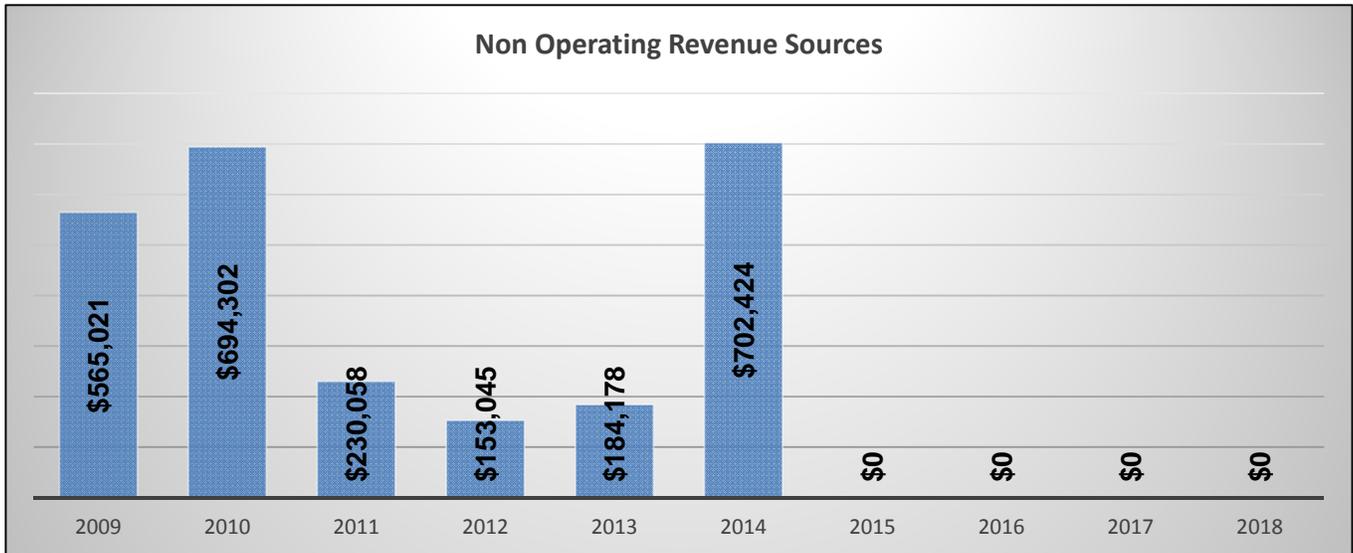
The 2013 level of funding is more representative of the funding basis that the district will receive in 2014 and beyond, along with the addition of \$275,000 in student fees in 2015. These student fees were previously accounted for in the 009 fund. There is a similar increase in costs reflected in the supplies and materials expense line item.



Significant Revenue Assumptions - VI

Non Operating Revenue Sources

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Transfers In	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Advances In	\$80,223	\$29,273	\$124,388	\$0	\$0	\$0	\$0
Other Financing Sources	\$72,822	\$154,905	\$578,036	\$0	\$0	\$0	\$0
Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0



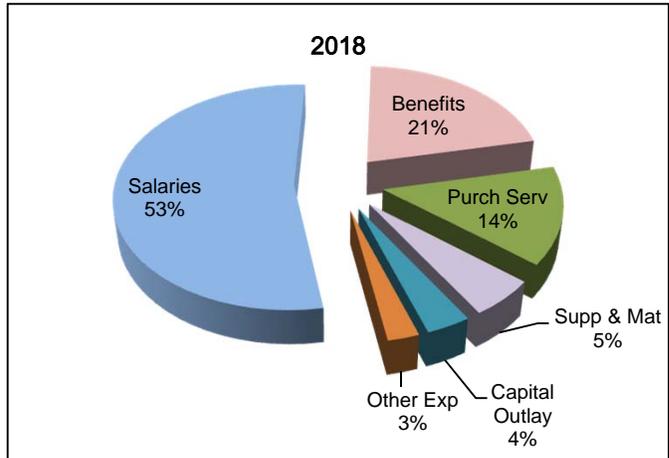
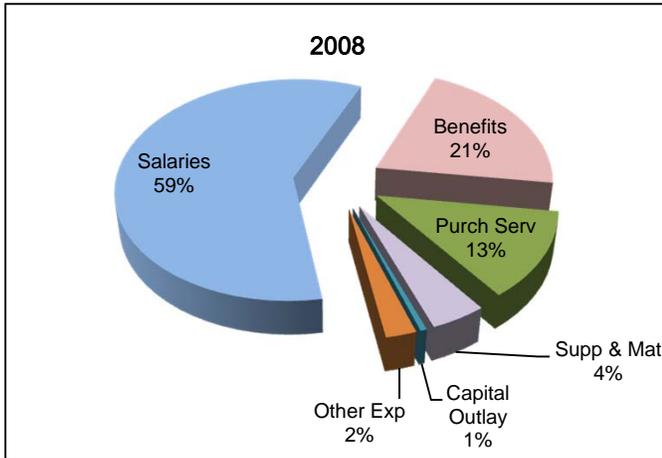
In Perspective:

Other sources included one-time revenue in 2014 as follows: \$279,000 (BWC, SERS), \$266,969 county auditor refund of fees over collected relative to expenses, and \$32,000 for sale of buses.

There are no other sources anticipated in 2015 and beyond.



Types of Expenditures and Annual Change



	Previous 5-Year Average Annual %	Projected					Projected 5-Year Average Annual %
		Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	
Salaries	-0.76%	1.60%	3.01%	1.05%	0.18%	0.00%	1.16%
Benefits & Retirement	0.85%	4.10%	0.77%	4.29%	-1.20%	3.43%	2.28%
Purchased Services	2.15%	9.59%	-2.14%	2.24%	3.97%	4.63%	3.66%
Supplies and Materials	0.67%	-9.42%	89.88%	-4.88%	-8.85%	2.00%	13.75%
Capital Outlay	49.89%	340.91%	-2.14%	-22.87%	-10.48%	38.08%	68.70%
Debt and Intergov. Pmts	-1.23%	9.22%	3.87%	-0.37%	-0.43%	-9.87%	0.49%
All Other Exp.	18.97%	-47.73%	14.61%	2.00%	2.00%	2.00%	-5.42%
Operating Expenditures	0.09%	4.96%	4.86%	0.57%	-0.45%	2.21%	2.43%

Note: Debt and Intergovernmental Payments Combined

In Perspective:

Overall expenditures change is expected to average 2.43% per year throughout the forecast period.

The 2016 - 2018 reflect zero increases in salaries except for a small increase in full time equivalencies as part of the district's staffing plan.

Fringe benefits decline in 2017 because of the third-year expiration of a retirement incentive payment.

Purchased services declines in 2015 because of a 2014 actual increase in costs related to special needs.

This cost is projected to decline to less than the 2014 peak in 2015 and beyond. Additionally, the purchased service costs are increasing in 2016 and beyond because of the amount of money that is being paid by the district for tuition to outside service providers (community schools, open enrollment, etc.). In 2014, these costs increased \$230,000 to \$1,170,000.

Supplies increased in 2015 because of 2014 deferred textbook spending.

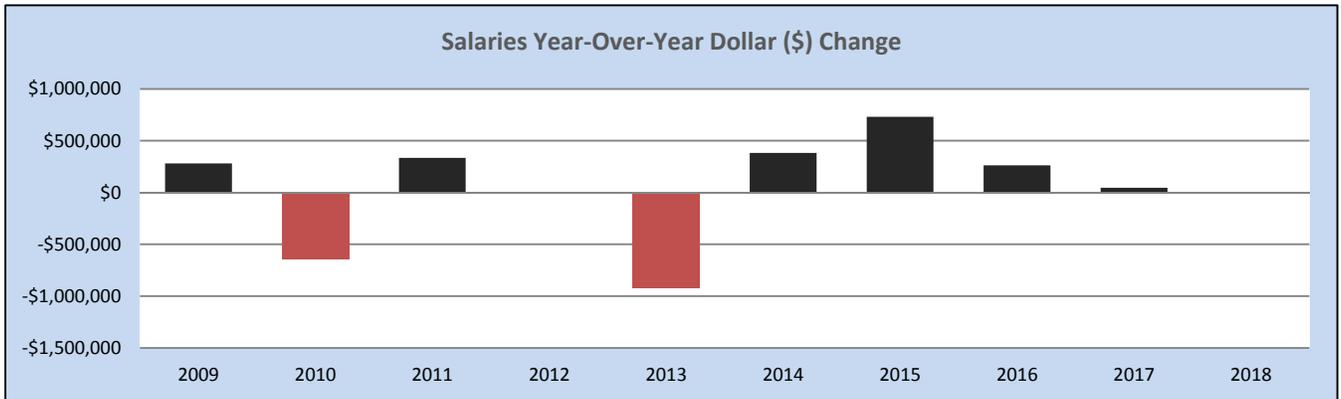
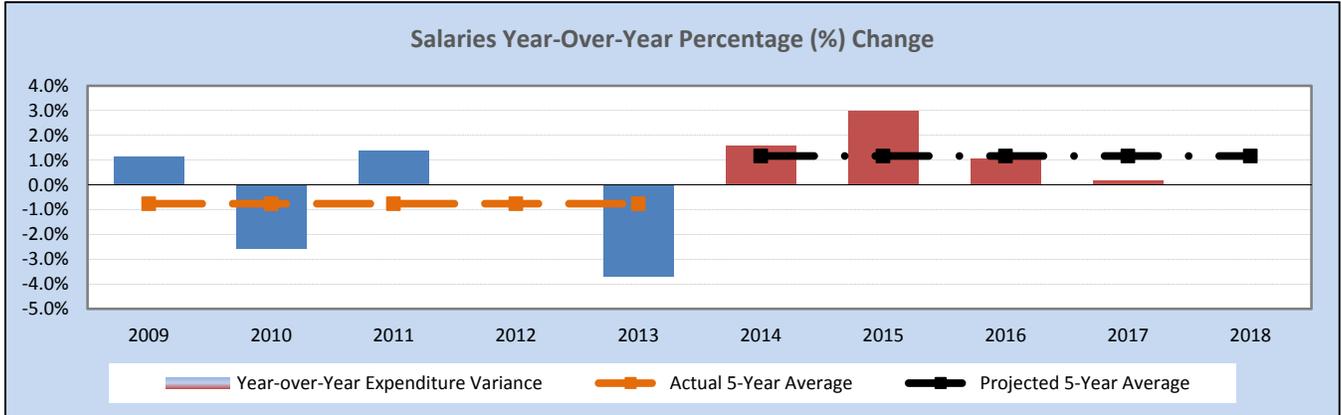
All other expenditures increased in 2015 because of an increase in county auditor and treasurer fees.



Significant Expenditure Assumptions - I

Salaries

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total	\$24,827,578	\$24,826,757	\$23,903,933	\$24,285,227	\$25,015,204	\$25,276,654	\$25,321,654	\$25,321,654



In Perspective:

Salaries are projected to change +1.16% over the forecast period. In 2014, costs reflect a reduction for 30 FTE retire/replacement saving, plus 4 FTE not replaced. The assumptions include one additional staff FTE in 2015 and 6 additional staff FTE in 2016.

In addition, annual base, degree and step increases totaling 4.5% (teaching staff) are included for 2014 and 2015. No increases are included in 2016, 2017, and 2018.

A 2.5% overall increase is included for classified in 2015. There are no step or negotiated increases in salaries for 2016, 2017, and 2018.

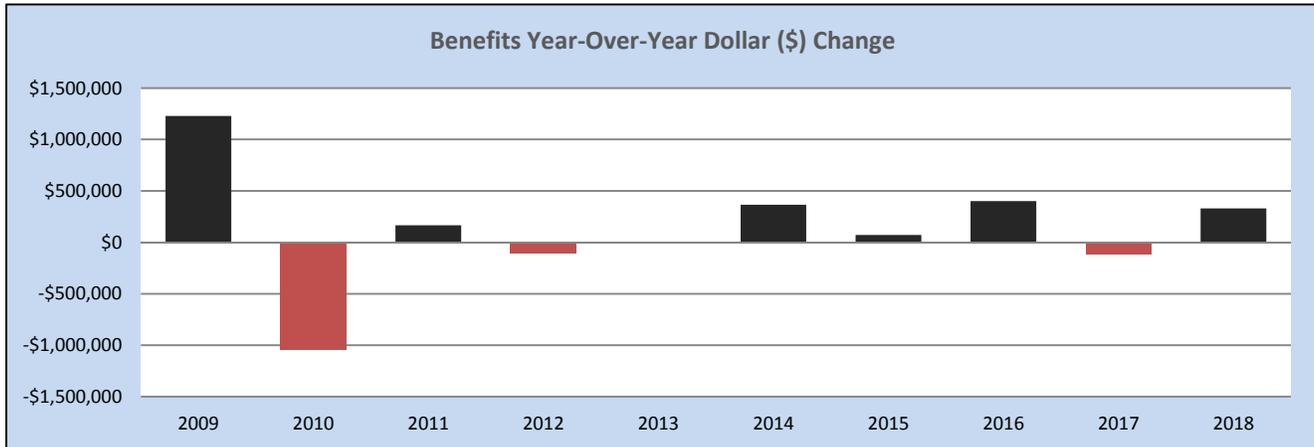
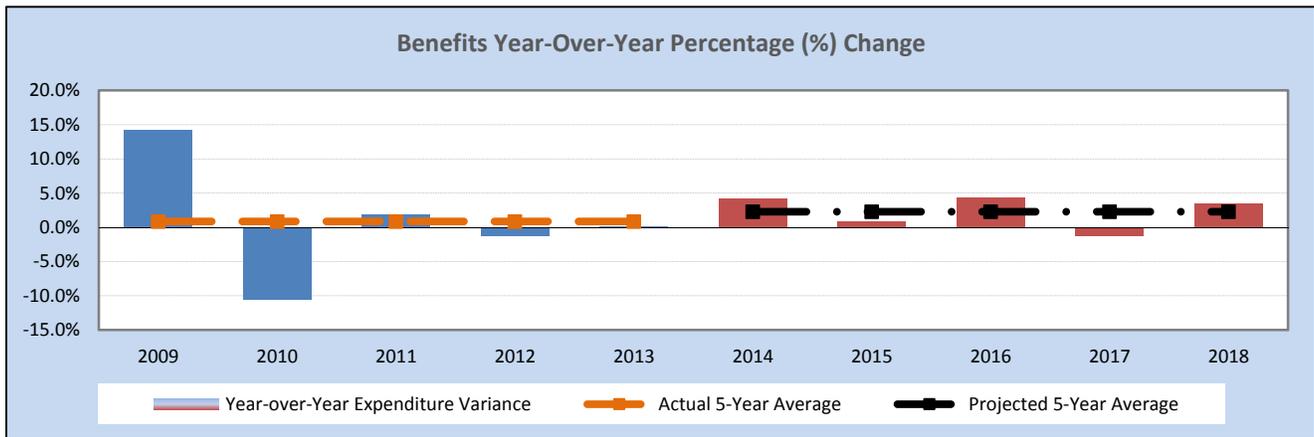
Salaries in 2014 also reflect the insourcing of preschool instruction with an addition of \$310,698.



Significant Expenditure Assumptions - II

Benefits

	2012	2013	2014	2015	2016	2017	2018
Health Insurance \$ Chg		-\$74,337	\$114,984	\$269,064	\$287,577	\$304,976	\$331,204
Health Insurance % Chg		-2.5%	4.0%	9.0%	8.8%	8.6%	8.6%
Health Insurance	\$2,948,949	\$2,874,612	\$2,989,597	\$3,258,660	\$3,546,237	\$3,851,214	\$4,182,418
All Other Benefits	\$5,978,700	\$6,054,132	\$6,305,164	\$6,107,754	\$6,221,866	\$5,799,571	\$5,799,571
Total	\$8,927,649	\$8,928,744	\$9,294,760	\$9,366,415	\$9,768,103	\$9,650,784	\$9,981,989



In Perspective:

In 2014 the district insourced the preschool services, and insurance plans were added for the staff. Health insurance premiums are projected to increase an average of 7.8% per year over the forecast, and have been reviewed with the district's benefits consultant.

The district has a 2011 retirement incentive payment of \$448,114 that terminates with fiscal year 2015. Similarly, the 2013 incentive of \$459,314 expires in 2017.

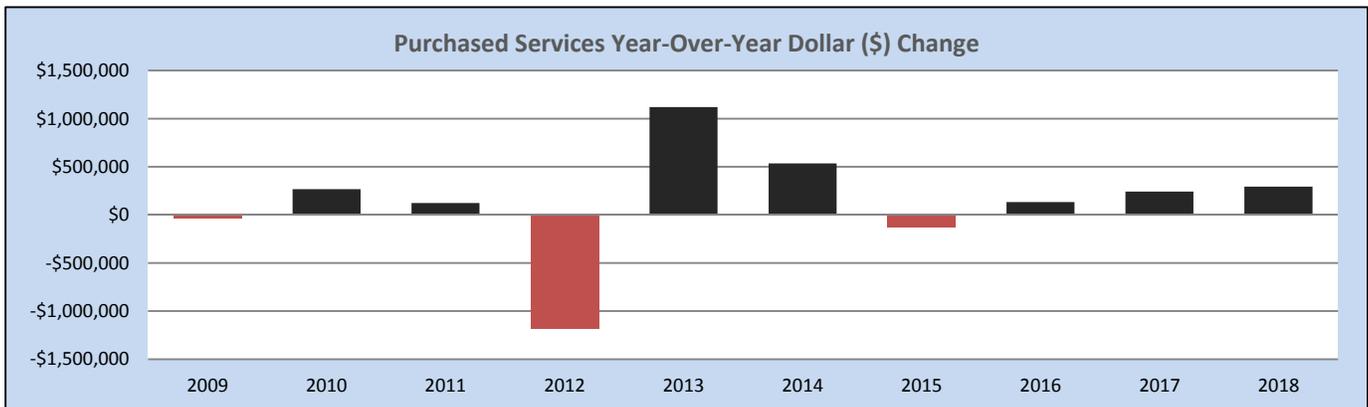
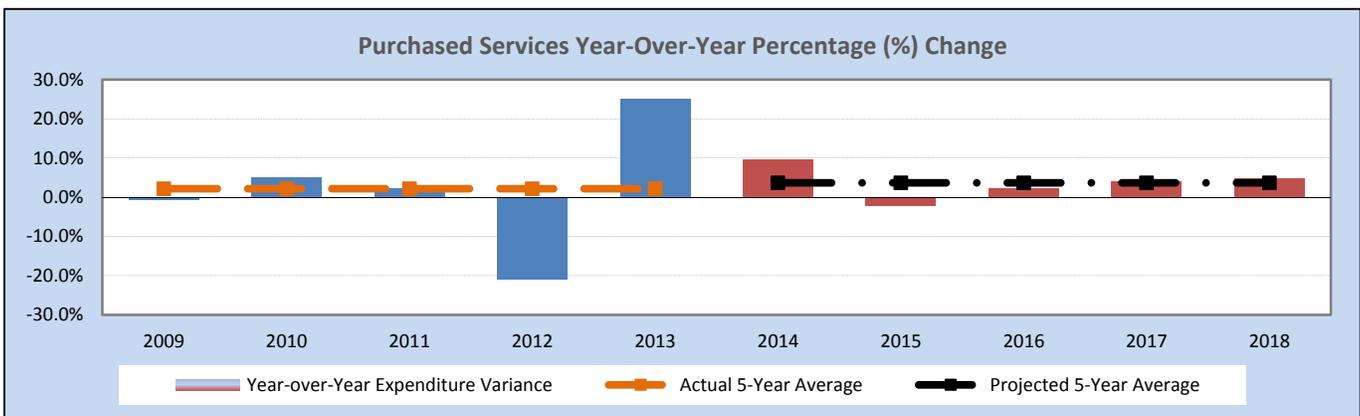
Additional insurance plans are included to cover the district's staffing plan of 1 FTE in 2015, and 6 FTE in 2016. A blended family/single cost has been used.



Significant Expenditure Assumptions - III

Purchased Services

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Comm. School Tuition	\$570,770	\$589,073	\$644,800	\$709,280	\$780,208	\$858,229	\$944,052
Open Enrollment Out	\$198,457	\$279,010	\$404,613	\$445,074	\$489,582	\$538,540	\$592,394
Scholarships	\$53,367	\$73,150	\$121,154	\$139,327	\$160,226	\$184,260	\$211,899
Other	\$3,638,052	\$4,638,310	\$4,943,918	\$4,690,176	\$4,687,770	\$4,779,537	\$4,906,749
Total	\$4,460,646	\$5,579,543	\$6,114,485	\$5,983,857	\$6,117,786	\$6,360,566	\$6,655,093
YOY \$\$ Change	-\$1,181,541	\$1,118,897	\$534,942	-\$130,628	\$133,929	\$242,780	\$294,527
YOY % Change	-20.9%	25.1%	9.6%	-2.1%	2.2%	4.0%	4.6%



In Perspective:

Purchased service costs were reduced in 2014 by \$538,330 to reflect the insourcing of preschool services (corresponding increase in salaries and benefits). The cost of special needs services increased in 2014. The 2014 level was reduced by 50% for 2015 and beyond to reflect a changing student population over time. Community school and open enrollment tuition increased by \$229,334 in 2014, and is expected to grow similarly in 2015 and beyond.

Overall the 2014 purchased services increased by 11.95% or \$534,943.

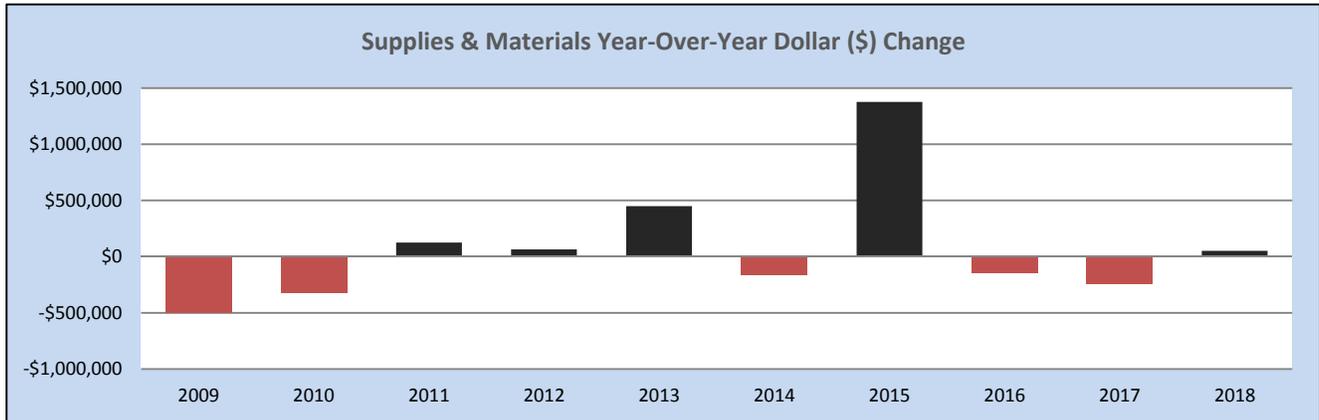
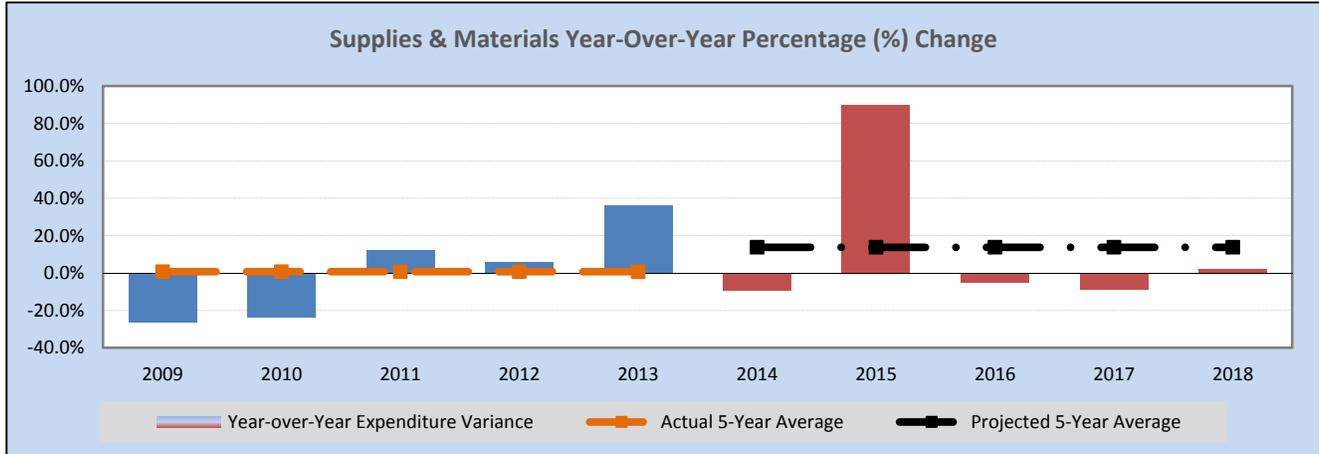
This particular cost line item has seen significant changes over the 2012 through 2014 time period. For example, substitute employee costs were shifted to purchased services from salaries, preschool costs were shifted from purchased services to salaries, etc. This has made it challenging to assess a core level of expenditure. This line item's cash flow will be monitored closely over the next several months to identify any fluctuation not modeled in the forecast.



Significant Expenditure Assumptions - IV

Supplies and Materials

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total	\$1,242,190	\$1,690,464	\$1,531,190	\$2,907,439	\$2,765,588	\$2,520,900	\$2,571,318



In Perspective:

Supply and material costs actually decreased \$120,274, or 7.11%, in part because of the deferral of text book purchases to 2015.

Additional software (Read 180, etc.) was purchased in 2014, renewals are included when appropriate.

The 2015 text book purchase is projected to be \$990,000 and is reduced in accordance with the district's textbook plan in 2016 and beyond. Expenditures for textbooks are projected to average \$500,000 per year.

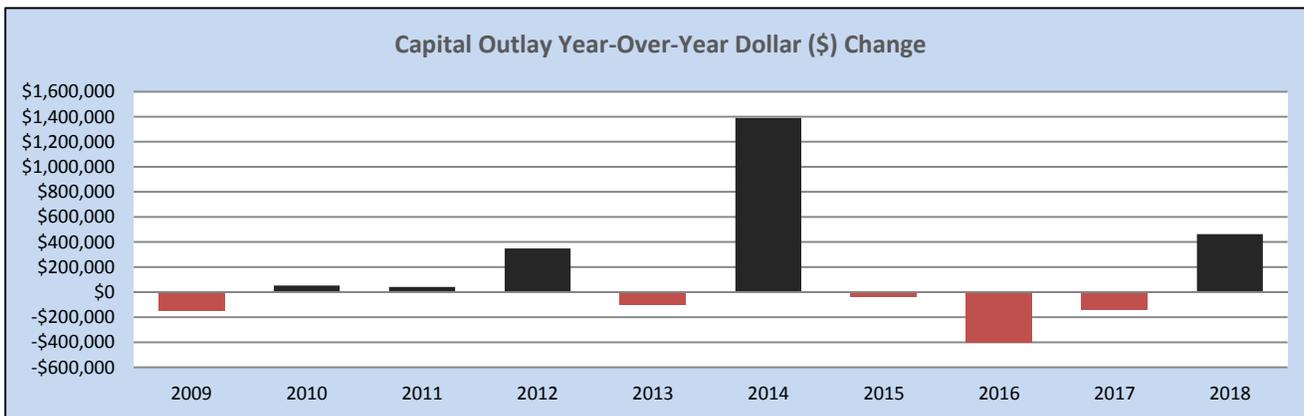
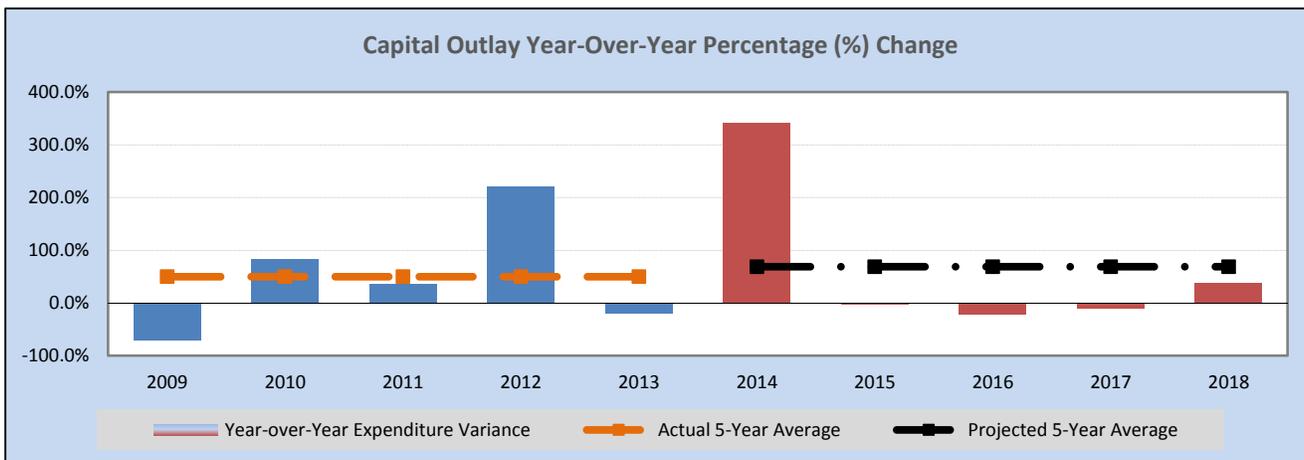
Costs associated with student fee purchases of \$275,000 are included in projected expenses starting in 2015. There is a corresponding increase in revenue modeled as well.



Significant Expenditure Assumptions - V

Capital Outlay

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total	\$506,640	\$407,772	\$1,797,908	\$1,759,505	\$1,357,191	\$1,214,998	\$1,677,678



In Perspective:

Capital outlay reflects a larger increase in 2014 because of the increase in expenditures associated with the district's capital plan in 2014. The district's plan call for \$956,714 in 2015, \$701,050 in 2016, and \$603,000 in 2017 and 2018.

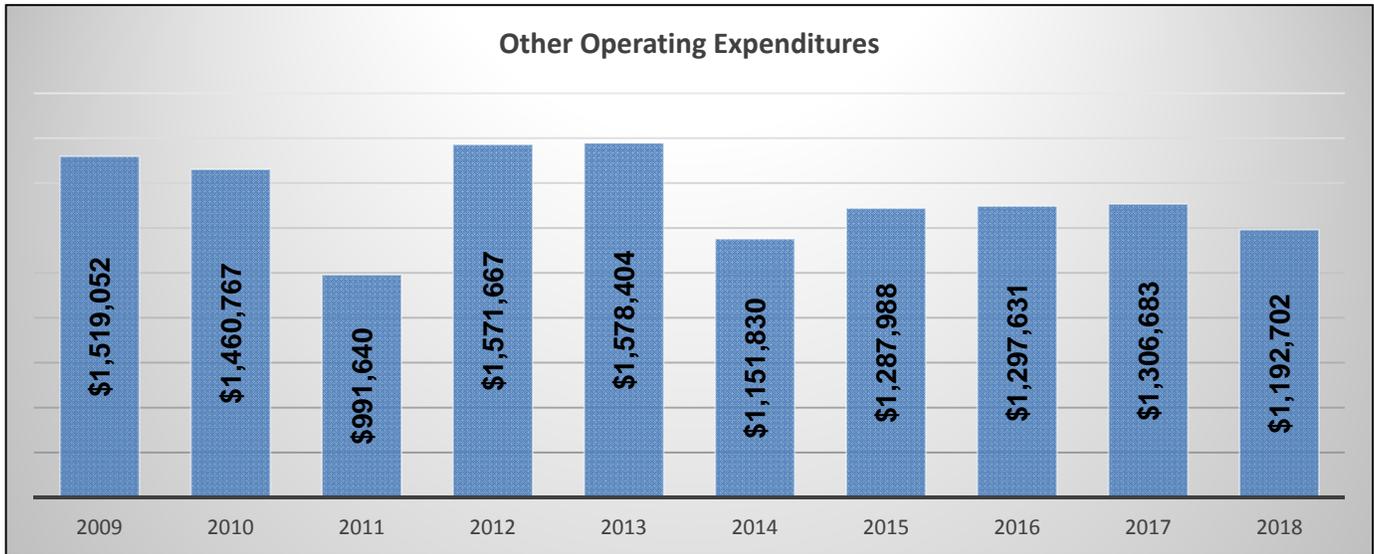
Also in 2015, the district will see a reduction in the amount provided for bus purchases to \$180,000 from 2014's \$360,000 level. Bus purchases will remain at \$180,000 in 2016 and 2017, and then increase to \$540,000 in 2018.



Significant Expenditure Assumptions - VI

Other Operating Expenditures

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Intergovernmental, Debt & Interest	\$383,601	\$379,997	\$525,455	\$570,085	\$565,370	\$559,777	\$430,858
Other Objects	\$1,188,066	\$1,198,407	\$626,375	\$717,903	\$732,261	\$746,906	\$761,844



In Perspective:

Other objects declined in 2014 because the district moved certain costs from this object to the purchased services line item. The amount established in 2014 is more in line with the ongoing basis, and is now mostly comprised of auditor and treasurer fees (county).

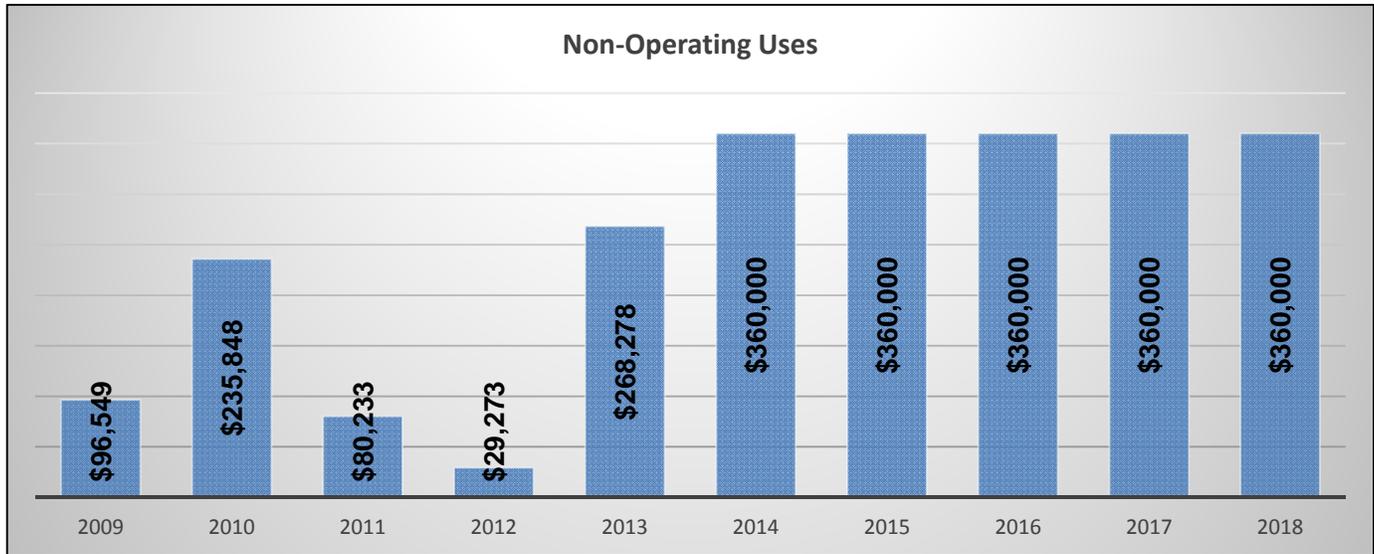
The debt payment component is from the district's general fund debt schedule.



Significant Expenditure Assumptions - VII

Non-Operating Uses

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Advances Out	\$0	\$124,388	\$0	\$0	\$0	\$0	\$0
Transfers Out	\$29,273	\$143,890	\$355,000	\$355,000	\$355,000	\$355,000	\$355,000
Other Financing Uses	\$0	\$0	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000



In Perspective:

Starting in 2014 and throughout the forecast period, the primary component of this line item is for a \$355,000 transfer to the athletic fund. This is not an advance but rather is a fund-to-fund transfer to help the athletic fund to meet expenses not covered by participation fees and donations.

State Funding Supplement

State Per Pupil Wealth & Funding Analysis - "Core Aid Per Pupil"

Projected Year	Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I
	Number of Funded Students Head Count, + Comm. Schl, + Open Enroll Out		District Per Pupil Valuation Index as % of State Median		District Median Taxpayer Income as % of State Median	Blended Valuation Index Median Index Wealth Index		State Share of Core Per Pupil Funding	State Share Funding Per Pupil
2014	5,730	\$156,630	111.42%	\$62,425	193.99%	1.1142	\$5,745	39.29%	\$2,257
2015	5,802	\$156,630	111.42%	\$62,425	193.99%	1.1142	\$5,800	39.29%	\$2,279
2016	5,821	\$154,260	111.38%	\$68,043	206.19%	1.1138	\$5,850	39.31%	\$2,300
2017	5,836	\$154,260	111.38%	\$68,043	206.19%	1.1138	\$5,900	39.31%	\$2,319
2018	5,894	\$160,895	113.31%	\$74,167	218.14%	1.1331	\$5,950	38.35%	\$2,282

Column C, Valuation Indicator: Valuation index indicates the percentage that a district is over or (under) the state's median per pupil valuation. Higher percentages indicate higher wealth relative to the state and lower percentages indicate lower property wealth relative to the state.

Column E, Income Indicator: Reflects the district's median taxpayer income relative to the state as a whole. A percentage above 100% indicates that the district's taxpayer income is above the state median. If the percentage is lower than the state's then the district's taxpayer have a lower median income.

Column F, Wealth Index: The state evaluates both the valuation and income indicators to determine state percentage. If the district's income indicator is lower than its valuation indicator then the state blends the two indicators to determine an overall wealth indicator. If the valuation indicator is lower than the income indicator then the district's valuation indicator is the only index used.

Column H, State Share %: The district's resulting wealth index in column F is ranked against all other public K-12 Ohio school districts. The result of this ranking is the state share percentage which is the portion of per pupil core aid that the state will provide.

In Perspective:

The district's valuation is 111.42% of the state median in 2014. This valuation is based upon the 2011, 2012 and 2013 average valuation divided by the district's funded enrollment. The district's valuation is projected to increase about 5% in 2015 in response to county-wide reassessment. The district's funded enrollment is projected to increase about 164 students from 2014 through 2018. The stable to slightly increasing property valuation along with rising enrollment enables the district to maintain its property wealth ranking relative to all other Ohio school districts.

The community's taxpayer income is 193.99% of the state median. Because the district's taxpayer income is substantially higher than the state as a whole the district does not benefit from additional wealth ranking help from the formula.

In 2014 the state is providing approximately \$2,257 per pupil in state funding. This is the same amount received for resident students who attend school elsewhere with the district paying tuition of \$5,745 or more.

State Core Aid Funding Overall Analysis and Wealth/Enrollment Vulnerability Assessment

Projected Year	Column J State Core Funding	Column K	Column L	Column M Funding Above 2013 Level	Column N Percent of Total Funding	Column O	Column P	Column R Modeled Cap
		State Guarantee Funds Needed to Maintain 2013 Funding	Percent of Total Funding			Unfunded Formula Resulting from "Capped" Increase	Percent of Total Funding	
2014	\$11,459,292	\$0	0.00%	\$5,937,703	51.82%	\$5,263,627	45.93%	106.25%
2015	\$12,662,518	\$0	0.00%	\$6,327,211	49.97%	\$4,449,909	35.14%	110.50%
2016	\$12,915,768	\$0	0.00%	\$6,539,839	50.63%	\$4,409,287	34.14%	102.00%
2017	\$13,174,083	\$0	0.00%	\$6,704,071	50.89%	\$4,315,204	32.76%	102.00%
2018	\$13,437,565	\$0	0.00%	\$6,659,904	49.56%	\$4,007,555	29.82%	102.00%

Column L: This column represents the percentage of funding guaranteed by Ohio to meet the same level of funding received in fiscal year 2013.

Column N: When a district is funded above the 2013 level then this column represents the percentage of funding that is over the 2013 level. It gives an indicator of how close the district is to returning to a non-formula status and the potential for lost revenue in the event of negative influences such as declining enrollment.

Column P: In 2014 the state capped the maximum amount of funding increase a district could receive. For districts modeling ongoing caps this column gives an indicator of the amount of additional funding that the state could owe if all of the formula variables (enrollment, valuation, income) meet projections. All of course is dependent upon the state's future financial condition and ability.

Column R: Reflects the modeled maximum growth in year-over-year funding.

In Perspective:

Ohio's per pupil funding formula continues to generate more than projected revenue in the forecast. This is because of the state's maximum cap on year-over-year increases in 2014 and 2015. The maximum cap increase is modeled at 2.0% in 2016 through 2018. This initial indicator is encouraging in that the projection of state revenue increases should be more solidly supported.

To stress the calculations a scenario was modeled where the district's enrollment was reduced, \$35 million in public utility property valuation was added, and the county real estate reassessment generated an 8% increase. The result is the district would remain on the formula side of the equation and would continue to receive the 2.0% increases modeled in the forecast.



Comparison of Previous Forecast Amounts to Current

Fiscal Year 2014 Forecasted Amounts

		Column A	Column B	Column C	Column D
		Previous	Current	Dollar	Percent
		Forecast	Forecast	Difference	Difference
		Amounts For	Amounts For	Between	Between
		F.Y. 2014	F.Y. 2014	Previous	Previous
		Prepared on:	Prepared on:	and	and
		10/28/2013	5/29/2014	Current	Current
Revenue:					
1	Real Estate & Property Allocation	\$23,669,703	\$27,028,184	\$3,358,481	14.2%
2	Public Utility Personal Property	\$3,560,865	\$3,898,506	\$337,641	9.5%
3	Income Tax	\$0	\$0	\$0	n/a
4	State Foundation Restricted & Unrestricted	\$11,737,854	\$12,187,129	\$449,275	3.8%
5	Other Revenue	\$1,007,592	\$719,218	-\$288,374	-28.6%
6	Other Non Operating Revenue	\$129,388	\$702,424	\$573,036	442.9%
7	Total Revenue	\$40,105,402	\$44,535,460	\$4,430,058	11.0%
Expenditures:					
8	Salaries	\$25,413,235	\$24,285,227	-\$1,128,008	-4.4%
9	Fringe Benefits	\$8,942,728	\$9,294,760	\$352,032	3.9%
10	Purchased Services	\$6,048,916	\$6,114,485	\$65,569	1.1%
11	Supplies, Debt, Capital Outlay & Other	\$5,382,044	\$4,480,928	-\$901,116	-16.7%
12	Other Non Operating Expenditures	\$205,000	\$360,000	\$155,000	75.6%
13	Total Expenditures	\$45,991,923	\$44,535,401	-\$1,456,522	-3.2%
14	Revenue Over/(Under) Expenditures	-\$5,886,521	\$59	\$5,886,580	12.8%*

*Percentage Expressed In Terms of Total Expenditures

In Perspective: (Comparing October's Forecast for FY 2014 to Current Conditions/Cash Flow/Estimates)

Real Estate & Property Tax Allocation represent local property tax collections reflects passage of the November, 2013 levy (reduced). The FY 2014 collections are down slightly from October's estimates because prior year delinquencies collected declined.

State Foundation increased \$449,275 over October's estimates.

Other Non Operating increased because of a Bureau of Workers' Compensation Refund and a county auditor refund.

Salaries are 4.4% lower than the October estimate. The district experienced significant reductions, retirements, and replacements that have challenged the calculation of estimates for this category. The 2014 amount of \$24,285,227 is representative of the district's actual cash flow through April 2014, and estimates for May and June of 2014. This reduced amount should serve as a good basis going forward.

Fringe benefits reflect a second retirement incentive program payment of \$411,566, and a health insurance increase of 4.0%

2014 Supplies were reduced for textbook purchases deferred until 2015, and capital expenditures were less than projected.

Other Non Operating in 2014 and beyond includes ongoing transfers to the athletic fund.



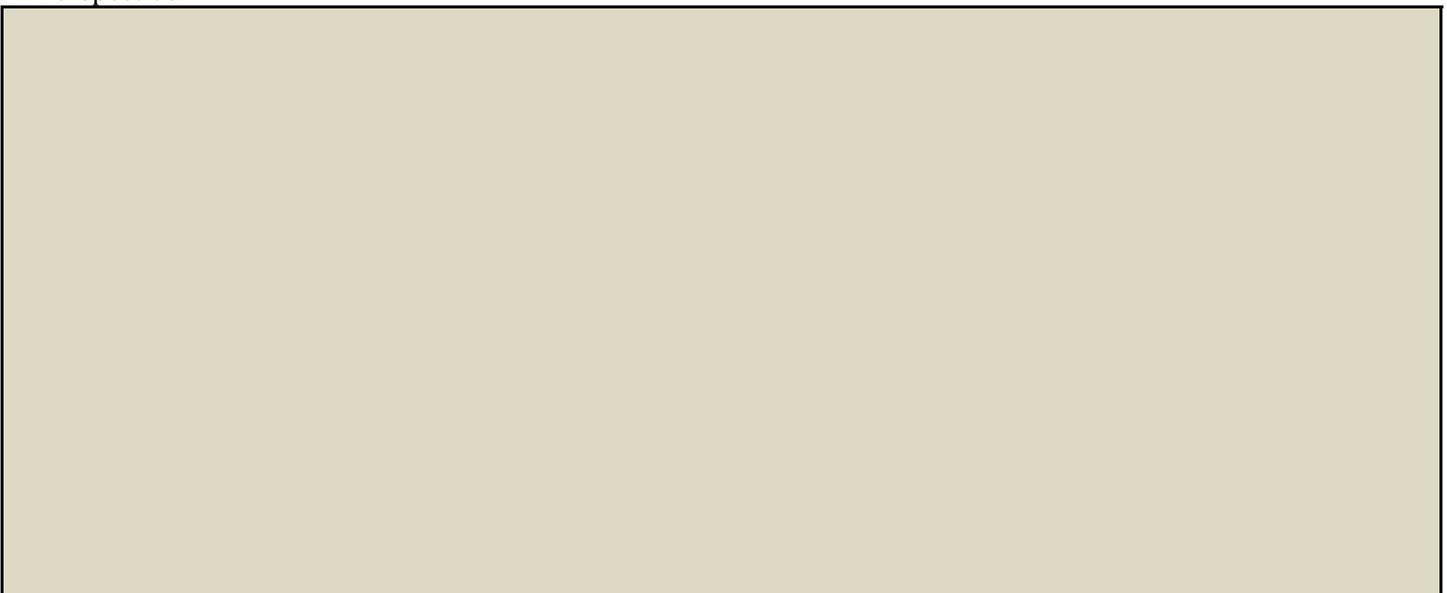
Comparison of Previous Forecast Amounts to Current

Fiscal Year 2015 Forecasted Amounts

		Column A	Column B	Column C	Column D
		Previous	Current	Dollar	Percent
		Forecast	Forecast	Difference	Difference
		Amounts For	Amounts For	Between	Between
		F.Y. 2015	F.Y. 2015	Previous	Previous
		Prepared on:	Prepared on:	and	and
		10/28/2013	5/29/2014	Current	Current
Revenue:					
1	Real Estate & Property Allocation	\$19,089,881	\$26,602,286	\$7,512,405	39.4%
2	Public Utility Personal Property	\$3,368,770	\$3,794,321	\$425,551	12.6%
3	Income Tax	\$0	\$0	\$0	n/a
4	State Foundation Restricted & Unrestricted	\$12,925,128	\$13,260,341	\$335,213	2.6%
5	Other Revenue	\$996,192	\$1,008,602	\$12,410	1.2%
6	Other Non Operating Revenue	\$25,000	\$0	-\$25,000	-100.0%
7	Total Revenue	\$36,404,971	\$44,665,549	\$8,260,578	22.7%
Expenditures:					
8	Salaries	\$26,554,272	\$25,015,204	-\$1,539,068	-5.8%
9	Fringe Benefits	\$9,394,966	\$9,366,415	-\$28,551	-0.3%
10	Purchased Services	\$5,277,018	\$5,983,857	\$706,839	13.4%
11	Supplies,Debt, Capital Outlay & Other	\$4,710,878	\$5,954,932	\$1,244,054	26.4%
12	Other Non Operating Expenditures	\$205,000	\$360,000	\$155,000	75.6%
13	Total Expenditures	\$46,142,134	\$46,680,407	\$538,273	1.2%
14	Revenue Over/(Under) Expenditures	-\$9,737,163	-\$2,014,858	\$7,722,305	16.7%*

*Percentage Expressed In Terms of Total Expenditures

In Perspective:



SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT
Schedule Of Revenue, Expenditures and Changes In Fund Balances
Actual and Forecasted Operating Fund

	ACTUAL			FORECASTED				
	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
Revenue:								
1.010 - General Property Tax (Real Estate)	24,448,722	23,982,777	23,989,726	23,536,769	23,170,174	23,458,537	23,789,474	24,039,434
1.020 - Public Utility Personal Property	2,637,746	3,608,775	4,102,045	3,898,506	3,794,321	3,829,657	3,865,791	3,915,434
1.030 - Income Tax	-	-	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	10,054,837	10,151,889	10,676,272	12,185,417	13,258,902	13,513,102	13,772,192	14,038,574
1.040 - Restricted Grants-in-Aid	898,088	607,228	6,384	1,712	1,439	1,439	1,439	1,439
1.045 - Restricted Federal Grants-in-Aid - SFSF	-	-	-	-	-	-	-	-
1.050 - Property Tax Allocation	4,343,216	3,580,502	3,577,944	3,491,414	3,432,111	3,485,387	3,540,165	3,579,935
1.060 - All Other Operating Revenues	1,517,619	1,298,330	763,473	719,218	1,008,602	1,028,774	1,049,350	1,070,337
1.070 - Total Revenue	43,900,228	43,229,501	43,115,844	43,833,036	44,665,549	45,316,896	46,018,411	46,645,152
Other Financing Sources:								
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-	-	-
2.020 - State Emergency Loans and Advancements	-	-	-	-	-	-	-	-
2.040 - Operating Transfers-In	11,448	-	-	-	-	-	-	-
2.050 - Advances-In	169,318	80,223	29,273	124,388	-	-	-	-
2.060 - All Other Financing Sources	49,292	72,822	154,905	578,036	-	-	-	-
2.070 - Total Other Financing Sources	230,058	153,045	184,178	702,424	-	-	-	-
2.080 - Total Revenues and Other Financing Sources	44,130,286	43,382,546	43,300,022	44,535,460	44,665,549	45,316,896	46,018,411	46,645,152
Expenditures:								
3.010 - Personnel Services	24,827,578	24,826,757	23,903,933	24,285,227	25,015,204	25,276,654	25,321,654	25,321,654
3.020 - Employees' Retirement/Insurance Benefits	9,036,399	8,927,649	8,928,744	9,294,760	9,366,415	9,768,103	9,650,784	9,981,989
3.030 - Purchased Services	5,642,187	4,460,646	5,579,543	6,114,485	5,983,857	6,117,786	6,360,566	6,655,093
3.040 - Supplies and Materials	1,177,872	1,242,190	1,690,464	1,531,190	2,907,439	2,765,588	2,520,900	2,571,318
3.050 - Capital Outlay	158,269	506,640	407,772	1,797,908	1,759,505	1,357,191	1,214,998	1,677,678
3.060 - Intergovernmental	-	-	-	-	-	-	-	-
Debt Service:								
4.010 - Principal-All Years	354,497	211,000	216,000	-	-	-	-	-
4.020 - Principal - Notes	-	-	-	-	-	-	-	-
4.030 - Principal - State Loans	-	-	-	-	-	-	-	-
4.040 - Principal - State Advances	-	-	-	-	-	-	-	-
4.050 - Principal - HB264 Loan	-	-	-	-	-	-	-	-
4.055 - Principal - Other	-	-	-	371,000	430,000	440,000	449,000	335,000
4.060 - Interest and Fiscal Charges	44,226	172,601	163,997	154,455	140,085	125,370	110,777	95,858
4.300 - Other Objects	592,917	1,188,066	1,198,407	626,375	717,903	732,261	746,906	761,844
4.500 - Total Expenditures	41,833,945	41,535,549	42,088,860	44,175,401	46,320,407	46,582,952	46,375,585	47,400,433
Other Financing Uses								
5.010 - Operating Transfers-Out	-	29,273	143,890	355,000	355,000	355,000	355,000	355,000
5.020 - Advances-Out	80,233	-	124,388	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	5,000	5,000	5,000	5,000	5,000
5.040 - Total Other Financing Uses	80,233	29,273	268,278	360,000	360,000	360,000	360,000	360,000
5.050 - Total Expenditures and Other Financing Uses	41,914,178	41,564,822	42,357,138	44,535,401	46,680,407	46,942,952	46,735,585	47,760,433
Excess of Rev & Other Financing Uses Over (Under)								
6.010 - Expenditures and Other Financing Uses	2,216,108	1,817,724	942,884	59	(2,014,858)	(1,626,057)	(717,174)	(1,115,281)
Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	6,093,869	8,309,977	10,127,701	11,070,585	11,070,644	9,055,786	7,429,729	6,712,556
7.020 - Cash Balance June 30	8,309,977	10,127,701	11,070,585	11,070,644	9,055,786	7,429,729	6,712,556	5,597,275
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-	-	-
Reservations of Fund Balance:								
9.010 - Textbooks and Instructional Materials	-	-	-	-	-	-	-	-
9.020 - Capital Improvements	-	-	-	-	-	-	-	-
9.030 - Budget Reserve	-	-	-	-	-	-	-	-
9.040 - DPLA	-	-	-	-	-	-	-	-
9.050 - Debt Service	-	-	-	-	-	-	-	-
9.060 - Property Tax Advances	-	-	-	-	-	-	-	-
9.070 - Bus Purchases	-	-	-	-	-	-	-	-
9.080 - Subtotal	-	-	-	-	-	-	-	-
Fund Balance June 30 for Certification								
10.010 - of Appropriations	8,309,977	10,127,701	11,070,585	11,070,644	9,055,786	7,429,729	6,712,556	5,597,275
Rev from Replacement/Renewal Levies								
11.010 - Income Tax - Renewal	-	-	-	-	-	-	-	-
11.020 - Property Tax - Renewal or Replacement	-	-	-	-	-	-	-	-
11.030 - Cumulative Balance of Replacement/Renewal Levies	-	-	-	-	-	-	-	-
Fund Balance June 30 for Certification								
12.010 - of Contracts, Salary and Other Obligations	8,309,977	10,127,701	11,070,585	11,070,644	9,055,786	7,429,729	6,712,556	5,597,275
Revenue from New Levies								
13.010 - Income Tax - New	-	-	-	-	-	-	-	-
13.020 - Property Tax - New	-	-	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-	-	-
14.010 - Revenue from Future State Advancements	-	-	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	8,309,977	10,127,701	11,070,585	11,070,644	9,055,786	7,429,729	6,712,556	5,597,275
ADM Forecasts								
0.000	-	-	-	330	367	367	366	356
0.000	-	-	-	5,496	5,554	5,573	5,589	5,652