



Springboro Community City Schools

Five Year Forecast Financial Report

May, 2019

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Table of Contents

	<u>Page</u>
Table of Contents	2
Forecast Summary	3
Revenue Sources and Forecast Year-Over-Year Projected Overview	4
1.010 - General Property Tax (Real Estate)	5
1.020 - Public Utility Personal Property	6
1.030 - Income Tax	7
1.035 - Unrestricted Grants-in-Aid	8
1.040 & 1.045 - Restricted Grants-in-Aid	9
1.050 - Property Tax Allocation	10
1.060 - All Other Operating Revenues	11
2.070 - Total Other Financing Sources	12
Expenditures Overview	13
3.010 - Personnel Services	14
3.020 - Employee Benefits	15
3.030 - Purchased Services	16
3.040 - Supplies and Materials	17
3.050 - Capital Outlay	18
3.060 - 4.060 - Intergovernmental & Debt	19
4.300 - Other Objects	20
5.040 - Total Other Financing Uses	21
Five Year Forecast	22

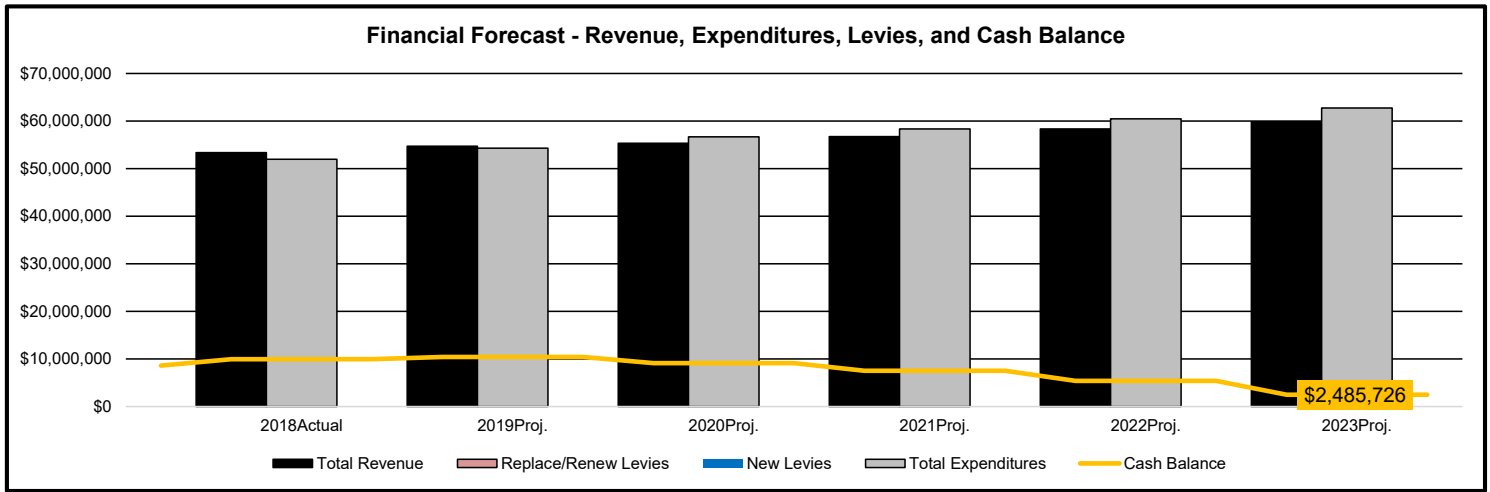
Forecast Purpose/Objectives

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.

Forecast Methodology - This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year and while cash flow monitoring helps to identify unexpected variances no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.

Forecast Summary



Springboro Community City Schools

Financial Forecast

Financial Forecast	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Beginning Balance	9,976,197	10,416,645	9,102,545	7,502,391	5,392,085
+ Revenue	54,731,710	55,362,227	56,739,869	58,334,463	59,849,915
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(54,291,262)	(56,676,327)	(58,340,023)	(60,444,769)	(62,756,274)
= Revenue Surplus or Deficit	440,448	(1,314,100)	(1,600,154)	(2,110,306)	(2,906,359)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	10,416,645	9,102,545	7,502,391	5,392,085	2,485,726

Analysis Without Renewal Levies Included:

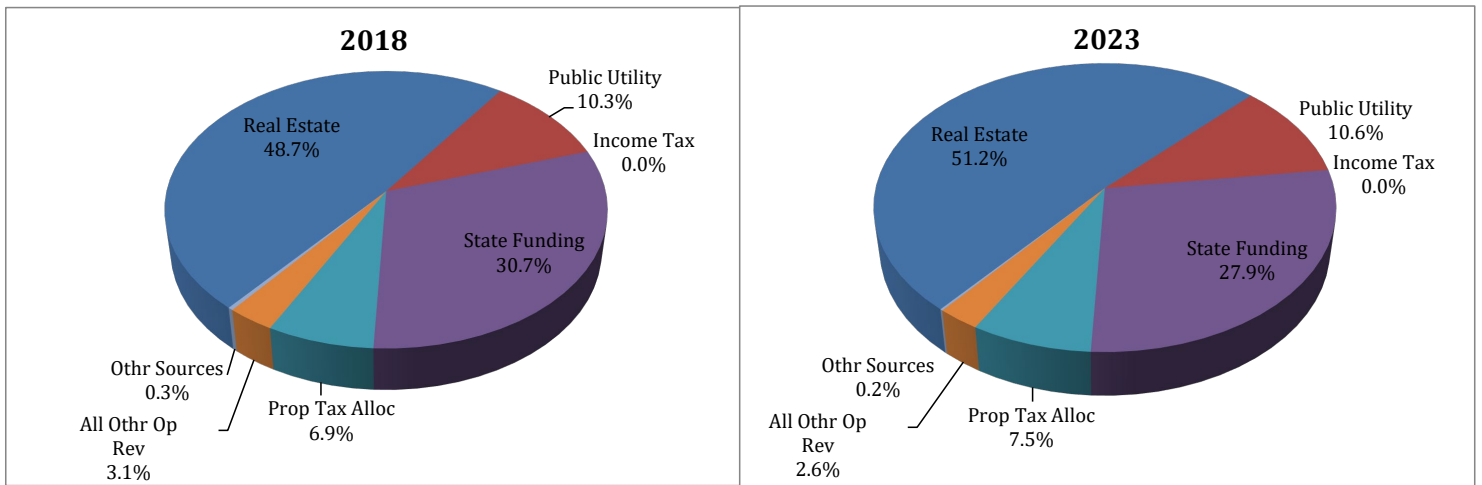
Revenue Surplus or Deficit w/o Levies	440,448	(1,314,100)	(1,600,154)	(2,110,306)	(2,906,359)
Ending Balance w/o Levies	10,416,645	9,102,545	7,502,391	5,392,085	2,485,726

The district's current forecast reflects previous trends that indicates an increasing revenue shortfall even with the continuation and substitution of the district's fixed sum emergency levy in November, 2017. The district is benefitting from positive economic news with regard to its inflationary (market driven) increases in residential property values. The district's return to the 20 mill tax rate also helps the district to capture some inflationary growth from local taxes, this concept is explained more thoroughly on the real estate revenue note.

While the better economic news is welcomed, the projected increase in revenue growth is not sufficient to sustain the district's increased cost of providing services. Expenses are projected to increase 3.84% annually while revenue is growing at only a 2.32% annual rate. The difference between these two growth rates contributes to the district's projected revenue shortfall by FY 2023.

The district is engaged in longer term financial planning to assess strategies for increasing financial sustainability while continuing today's high level of services, and attempting to address sufficient building and capital needs.

Revenue Sources and Forecast Year-Over-Year Projected Overview



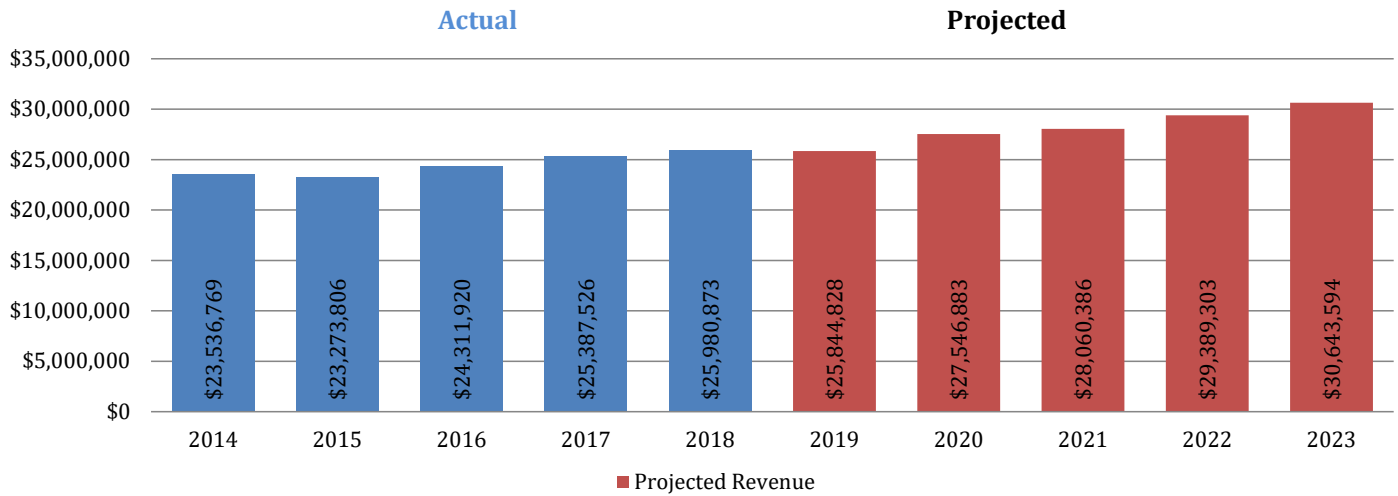
	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Revenue:							
1.010-Real Estate	1.64%	-0.52%	6.59%	1.86%	4.74%	4.27%	3.39%
1.020-Public Utility	6.89%	15.18%	-14.15%	14.51%	0.84%	0.81%	3.44%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	8.99%	1.48%	0.57%	0.02%	0.00%	-0.01%	0.41%
1.040-Restricted Aid	1566.87%	9.32%	-4.20%	0.69%	0.00%	-0.02%	1.16%
1.045-Restr Federal SF	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	0.61%	3.09%	4.76%	2.10%	4.97%	4.68%	3.92%
1.060-All Other Operating	18.47%	0.06%	-4.51%	-0.87%	0.75%	0.75%	-0.77%
1.070-Total Revenue	4.31%	1.99%	1.85%	2.49%	2.82%	2.60%	2.35%
2.070-Total Other Sources	79.37%	169.38%	-78.94%	0.00%	0.00%	0.00%	18.09%
2.080-Total w/Other Srcs	4.28%	2.54%	1.15%	2.49%	2.81%	2.60%	2.32%

Revenue is projected to grow at an average annual rate of 2.32% through FY 2023. The growth rate is below the projected expenditure growth rate of 3.84% annually (on average).

The district's state funding is projected to be flat in FY 2020 through FY 2023 as the district transitions to a guarantee no-growth status. Increases in enrollment could add modest state funding when it is kept in mind that Springboro's state share percentage is projected to decline. The state's share is declining because the district's per pupil valuation is projected to increase relative to the state as a whole.

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).



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	25,980,873	25,844,828	27,546,883	28,060,386	29,389,303	30,643,594
YOY \$ Change	593,347	(136,045)	1,702,055	513,503	1,328,917	1,254,291
YOY % Change	2.3%	-0.5%	6.6%	1.9%	4.7%	4.3%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	48.7%	47.2%	49.8%	49.5%	50.4%	51.2%

Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2017	1,007,704,700	34,650,680	28.78	(1.06)	28.51	(1.35)	100.5%
2018	1,166,792,940	159,088,240	26.61	(2.17)	27.90	(0.61)	100.4%
2019	1,190,380,265	23,587,325	26.63	0.02	27.90	(0.00)	99.9%
2020	1,216,269,773	25,889,508	26.63	(0.00)	27.89	(0.01)	99.8%
2021	1,325,965,459	109,695,685	26.22	(0.41)	27.26	(0.64)	99.7%
2022	1,350,615,459	24,650,000	26.22	(0.00)	27.25	(0.01)	99.7%

Real estate tax revenue provided 48.7% of the district's operating revenue in FY 2018. The revenue is driven by three key factors: property values, tax rates, and the payment or collection rate of taxes billed. With respect to property values, the district experienced a 10.1% increase in 2015 values for taxes collected in 2016. However, the district's tax rate was not at the minimum 20 mill floor, therefore revenue growth was constrained by a commensurate reduction (HB 920) in the tax rates. The district is transitioning toward tax rates that cannot be reduced further and therefore property value inflation will generate some additional revenue in the forecast.

The district's county went through reappraisal in 2018 and experienced 13.8% residential (Class I) property value inflation. As a result, the district's residential effective tax rate is projected to decline by 2.17 mills (H.B. 920 reduction) and lowered to the 20 mill minimum. The district also has a fixed sum substitute levy with a tax rate that fluctuates based upon total valuation, the 2018 levy is 6.61 and is on top of the 20.0 mill floor millage. The business (Class II) values experienced -1.1% deflation.

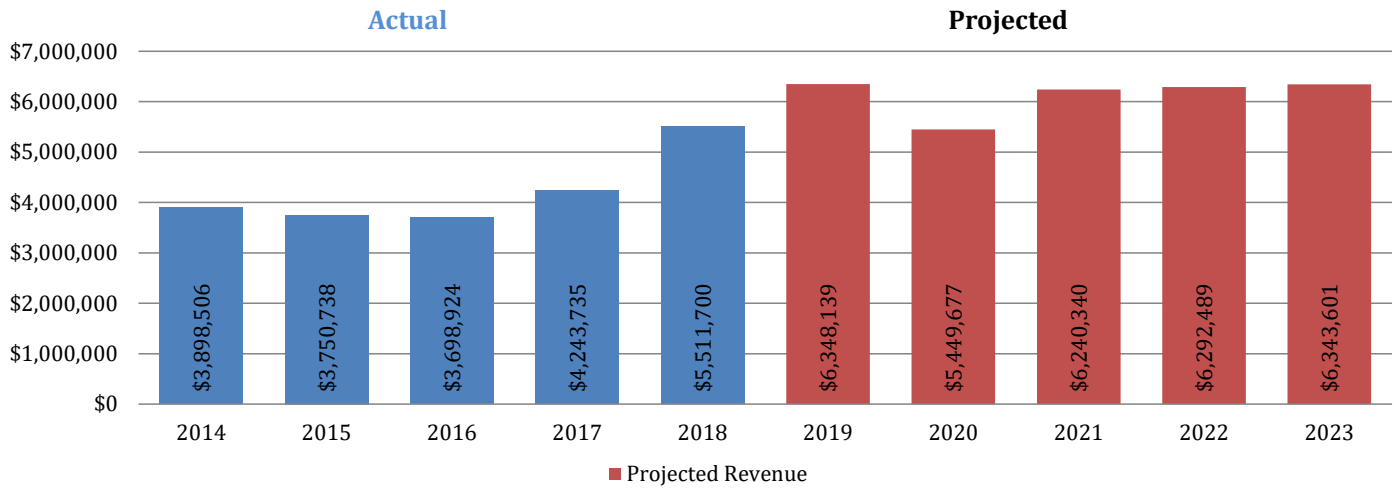
As a result, the district's revenue will grow in FY 2019 and FY 2020. The bar chart above reflects little growth from FY 2018 to FY 2019 because FY 2018 increased as a result of Federal tax law changes that encouraged taxpayers to accelerate their payment of taxes in FY 2018.

The district has realized a high collection rate of taxes and the forecast continues this level of collection rate nearing 100%.

**Projected % trends include renewal levies*

1.020 - Public Utility Personal Property

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



	2018	2019	2020	FORECASTED		
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	5,511,700	6,348,139	5,449,677	6,240,340	6,292,489	6,343,601
YOY \$ Change	1,267,965	836,439	(898,462)	790,663	52,149	51,112
YOY % Change	29.9%	15.2%	-14.2%	14.5%	0.8%	0.8%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	10.3%	11.6%	9.8%	11.0%	10.8%	10.6%

Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2017	109,006,840	11,317,020	50.61	(0.98)	100.2%
2018	122,994,060	13,987,220	49.82	(0.79)	100.0%
2019	124,503,697	1,509,637	49.82	(0.00)	100.0%
2020	126,035,979	1,532,282	49.81	(0.01)	100.0%
2021	127,591,246	1,555,266	49.43	(0.38)	100.0%
2022	129,091,246	1,500,000	49.42	(0.01)	100.0%

Public utility property tax revenue (PUPP), like real estate, is a factor of valuations, tax rates, and collection of taxes. In the case of PUPP, the tax rate is always the district's full voted rate which is 49.82 mills in 2018 for current collections in 2019. The collection rate of PUPP taxes is estimated to be nearly 100% and taxpayers generally pay taxes at a 50% level first half and the remaining 50% at the 2nd half. This first half of 2019 the PUPP taxpayers accelerated their payment of full-year taxes and 61.67% of the total year's revenue was collected. This of course will reduce collections in the 2nd half in FY 2020.

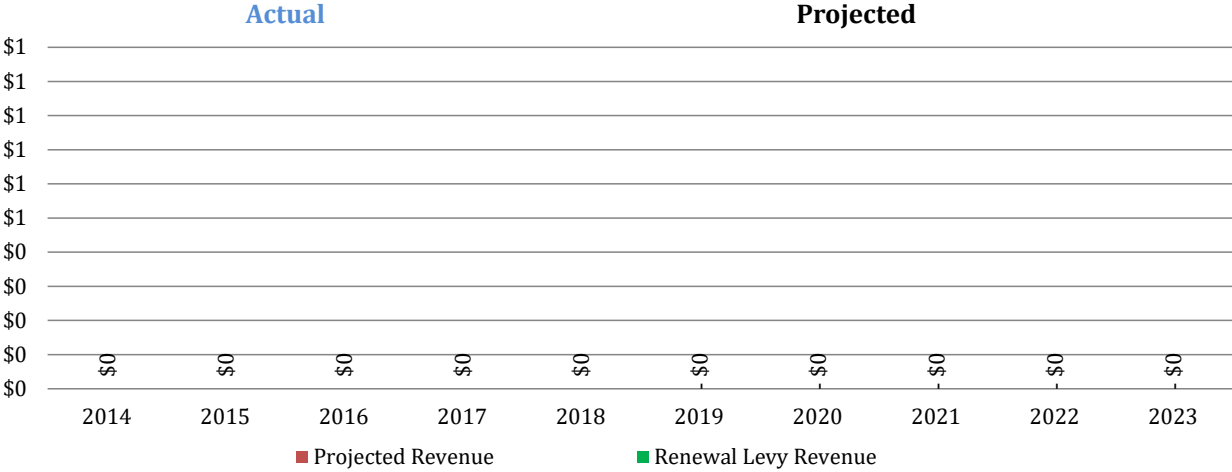
The PUPP property value increased \$24 million in 2016 (for collection in 2017). This 32% increase in value improved revenue starting in FY 2017 (one-half of tax collection cycle). Values also increased 11.6% in 2017 (for collection in 2018) and 12.8% in tax year 2018 for 2019 collection. These valuation increases explain the increase in revenue for FY 2018 and FY 2019. Values have grown in response to public utility investment, including pipeline construction. One pipeline that exists in the district is currently not paying property taxes because of a tax loophole. Springboro has lobbied for closing the loophole and in 2019 commissioned a study to explain its case. The district continues to lead the conversation with legislators to get this tax policy corrected. If legislative remedy occurs then the district will generate additional PUPP revenue and the forecast will be updated at that time.

Valuation growth averages 1.2% annual in tax years 2018 through 2022, but company investments in PUPP can alter this estimate up or down. Note: The district is seeking legislative remedy to a tax loophole that shelters some pipelines located within the district from being taxed. If the legislative remedy is successful then additional revenue will be received.

*Projected % trends include renewal levies

1.030 - Income Tax

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



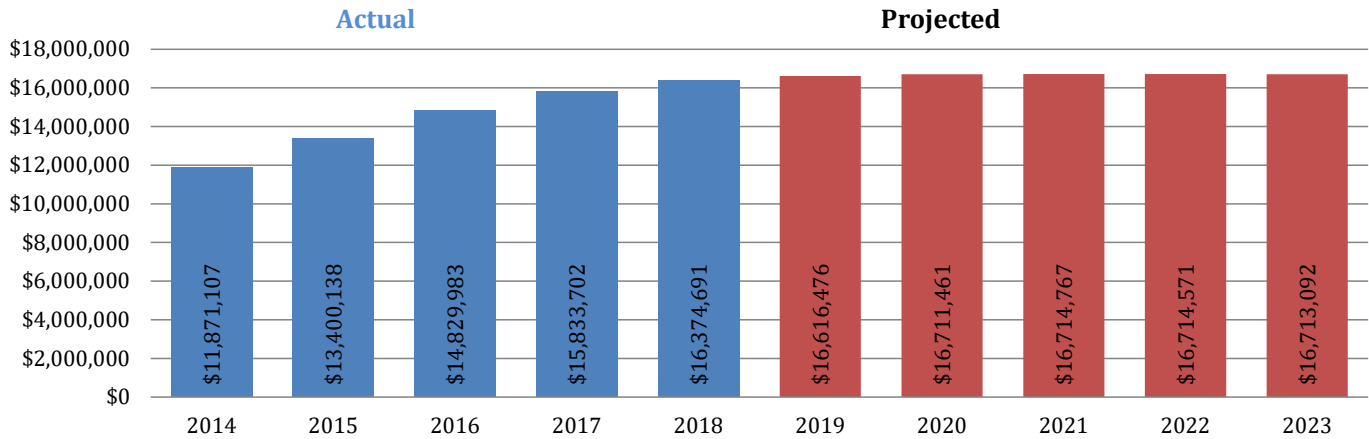
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	-	-	-	-	-	-
YOY \$ Change	-	-	-	-	-	-
YOY % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

The district does not have an income tax.

**Projected % trends include renewal levies*

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	16,374,691	16,616,476	16,711,461	16,714,767	16,714,571	16,713,092
YOY \$ Change	540,989	241,785	94,985	3,306	(196)	(1,479)
YOY % Change	3.4%	1.5%	0.6%	0.0%	0.0%	0.0%
Percentage of Total Revenue	30.7%	30.4%	30.2%	29.5%	28.7%	27.9%
Core Funding Per Pupil	6,010	6,020	6,050	6,100	6,150	6,200
State Share Index (SSI)	36.7%	36.7%	33.8%	33.8%	30.6%	30.6%
State Core Funding Per Pupil	2,207	2,211	2,047	2,064	1,883	1,898
Formula ADM (Funded Student Count)	5,917	5,905	5,916	5,918	5,917	5,913
Funding Status	Capped	Capped	Guarantee	Guarantee	Guarantee	Guarantee

The state's per pupil funding formula generates about 30% of the district's revenue. Beginning in FY 2014, Ohio implemented a new funding formula. The formula provided noteworthy funding increases for Springboro, but the totals were limited by funding caps imposed by the state due to limited state funding.

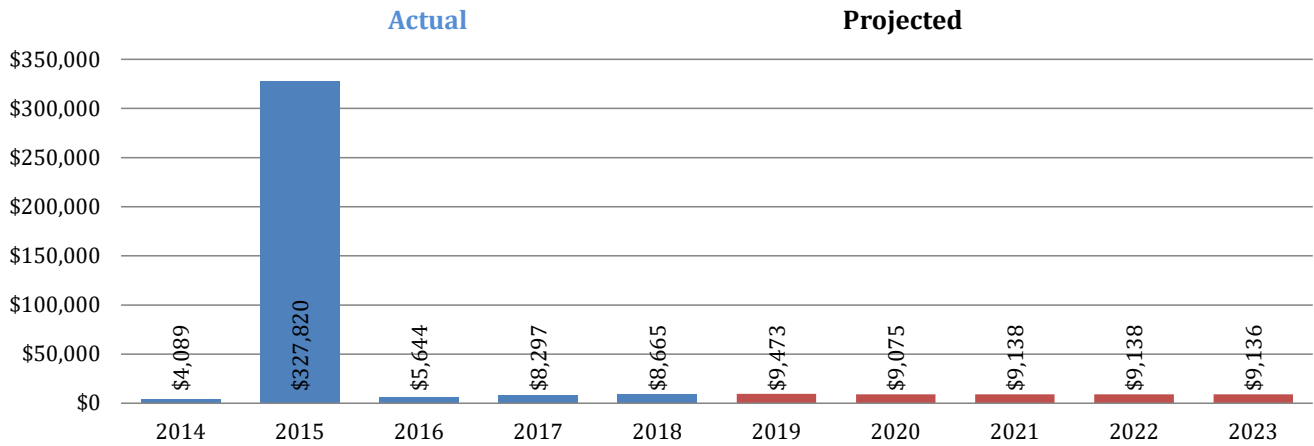
The State adopted a new budget to fund schools in FY 2016 and FY 2017. The core formula remained similar to the immediate past formula which relies upon a state share percentage calculated by utilizing a combination of valuation per pupil and median income per pupil. The state's share of per pupil funding in FY 2019 is 36.7%, which only provides \$2,211 of the state's core aid per pupil of \$6,020 to the district. The balance of the \$6,020 is presumed to be provided by local property taxes.

State funding is expected to peak in FY 2019 except for some minor categorical fluctuation. This peak is significant because the current formula results in a flat but guaranteed level of funding as evidenced by the bar chart above. The peak level which had been discussed in prior forecasts will be the basis for FY 2020 through FY 2023. The district could receive some increase in funding in FY 2022 and 2023 if actual enrollment exceeds the formula ADM modeled above. The primary conclusion is that the state funding formula is expected to provide only slight change through FY 2023.

Ohio has proposed a new funding formula for FY 2020 called the Fair School Funding Plan. The simulations show that the district would gain revenue. However, the proposal is in the early stage of the political process and could be scrapped, altered, or only partially funded. If the plan is adopted and funded the district's forecast will be updated at that time.

1.040 & 1.045 - Restricted Grants-in-Aid

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

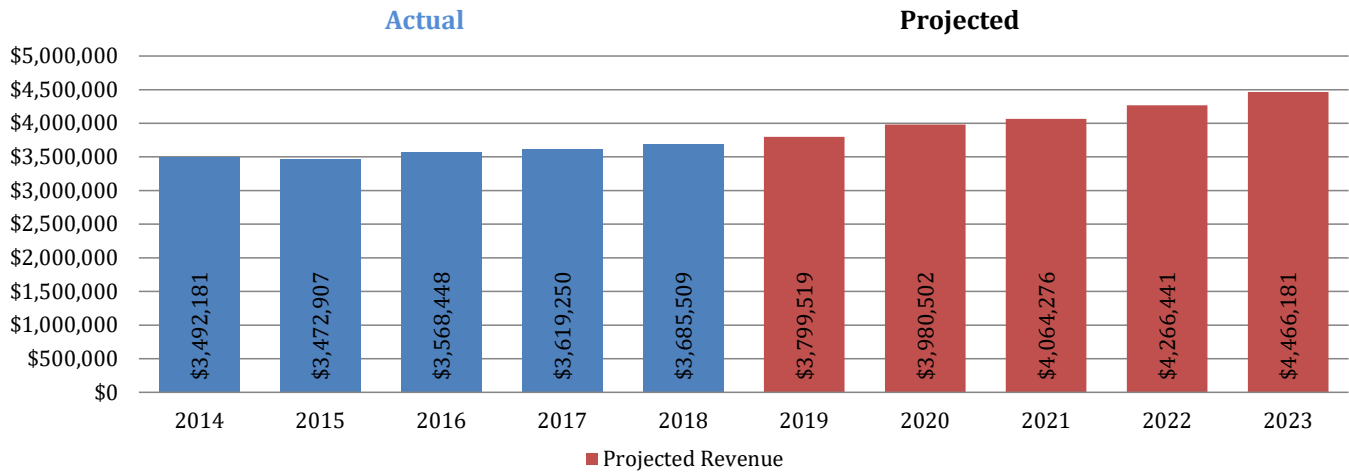


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	8,665	9,473	9,075	9,138	9,138	9,136
YOY \$ Change	368	808	(398)	63	-	(2)
YOY % Change	4.4%	9.3%	-4.2%	0.7%	0.0%	0.0%
Percentage of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Economic Disadvantaged Funding	2,235	2,406	2,462	2,463	2,463	2,461
Percentage of Disadvantaged Students	7.1%	7.2%	7.1%	7.1%	7.1%	7.1%

Projected restricted funding includes a small amount of economic disadvantaged aid that is required to be coded as restricted. In FY 2015 the district received catastrophic cost reimbursement funding that is now coded to unrestricted.

1.050 - Property Tax Allocation

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



	2018	2019	2020	FORECASTED		
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	3,685,509	3,799,519	3,980,502	4,064,276	4,266,441	4,466,181
YOY \$ Change	66,259	114,010	180,983	83,774	202,165	199,740
YOY % Change	1.8%	3.1%	4.8%	2.1%	5.0%	4.7%
Percentage of Total Revenue	6.9%	6.9%	7.2%	7.2%	7.3%	7.5%
% of Residential Real Estate 10% Rollback	10.04%	10.04%	10.04%	10.04%	10.04%	10.04%
% of Residential Real Estate 2.5% Rollback	2.13%	2.13%	2.13%	2.13%	2.13%	2.13%
% of Residential Real Estate Homestead	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%

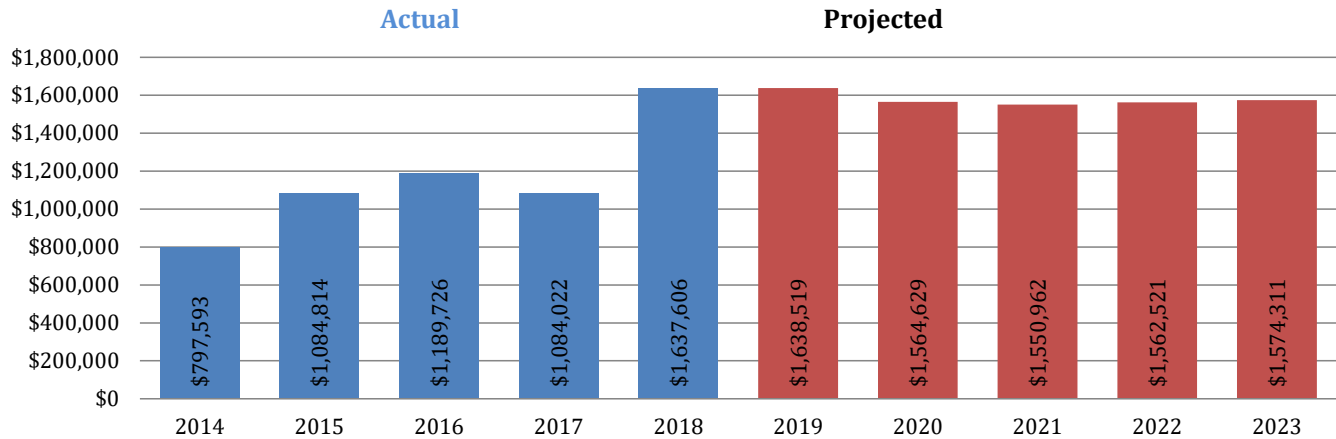
Property tax allocation (PTA) is expected to be 6.9% of the district's total revenue in FY 2019 and is currently comprised of two types of revenue reimbursement.

The two types of PTA revenue involve state reimbursement for local real estate tax credits (deductions). In essence, local residential real estate taxes are reduced by rollback (12.5% for owner occupied houses) and also for homestead (disabled, senior citizens, etc.). The reimbursements track closely to the projected changes in residential real estate revenue.

**Projected % trends include renewal levies*

1.060 - All Other Operating Revenues

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



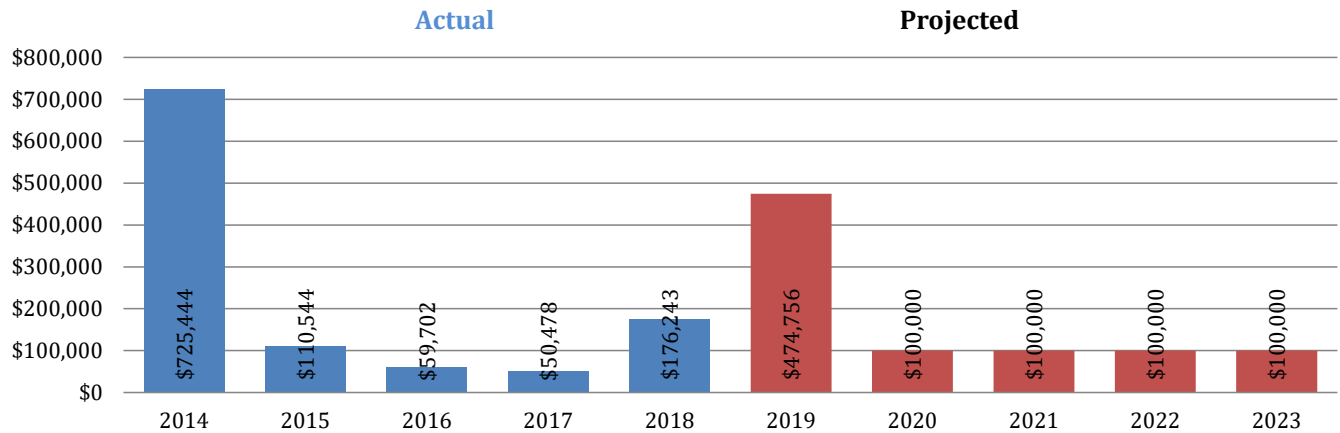
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	1,637,606	1,638,519	1,564,629	1,550,962	1,562,521	1,574,311
YOY \$ Change	553,584	913	(73,890)	(13,667)	11,559	11,790
YOY % Change	51.1%	0.1%	-4.5%	-0.9%	0.7%	0.8%
Percentage of Total Revenue	3.1%	3.0%	2.8%	2.7%	2.7%	2.6%

At 3.1% of total revenue this category is comprised of school fees, investment earnings, excess cost tuition, and miscellaneous revenue. The increase in FY15 was due to adding school fees to the general fund, whereas previously these were accounted for in a separate 009 fund which isn't part of the five-year forecast. In fiscal year 2018 the district will account for student activity participation fees in the general fund which explains the increase above. These student activity fees are estimated to be \$323,000 per year. Regular classroom fees are estimated at \$510,000 per year.

Fiscal year 2019 revenue is expected to decline from FY 2018 because of a reduction in tuition revenue from other districts. The district's investment earnings are expected to total \$125,000 in FY 2019.

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.

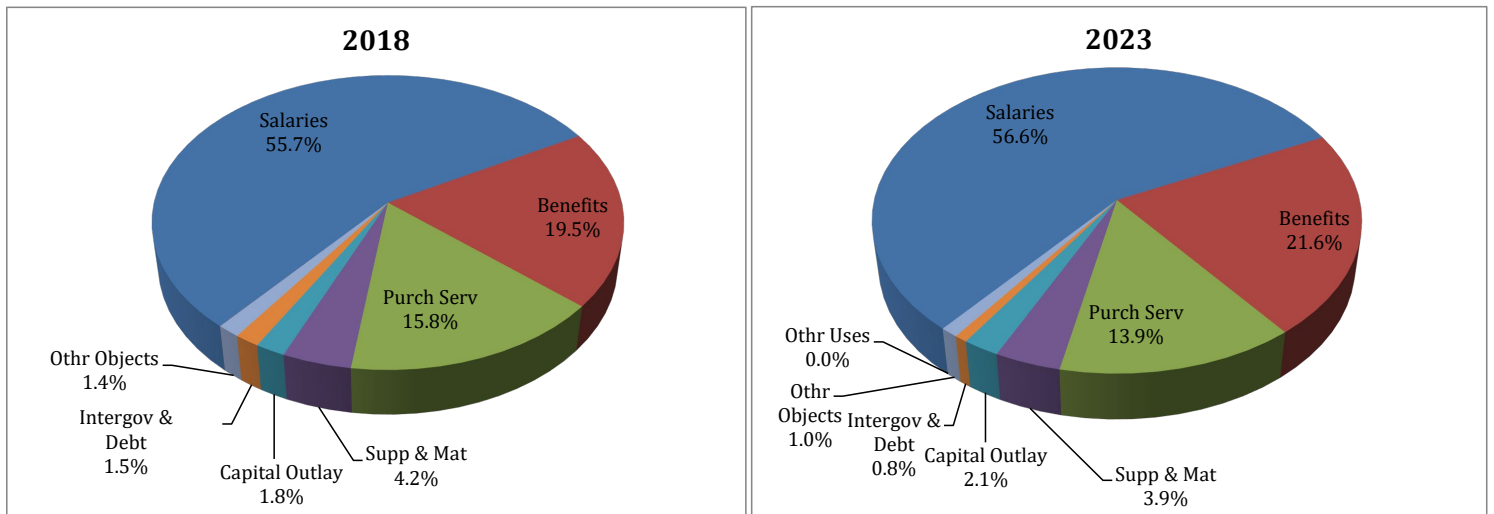


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	176,243	474,756	100,000	100,000	100,000	100,000
YOY \$ Change	125,765	298,513	(374,756)	-	-	-
YOY % Change	249.1%	169.4%	-78.9%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.3%	0.9%	0.2%	0.2%	0.2%	0.2%
Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-

Other sources includes repayments of advances (temporary general fund loans to other funds) and also reimbursements for prior year expenditures. The category is typically a modest component of total resources and is projected similarly.

The district received a \$293,523 refund of county auditor fees in FY 2019. The district can receive refunds for certain types of prior year expenditures. For example, Bureau of Workers' Compensation premiums. These revenue sources are not consistent nor regular in timing. Therefore the category is expected to average 100,000 per year in FY 2020 through FY 2023.

Expenditure Categories and Forecast Year-Over-Year Projected Overview

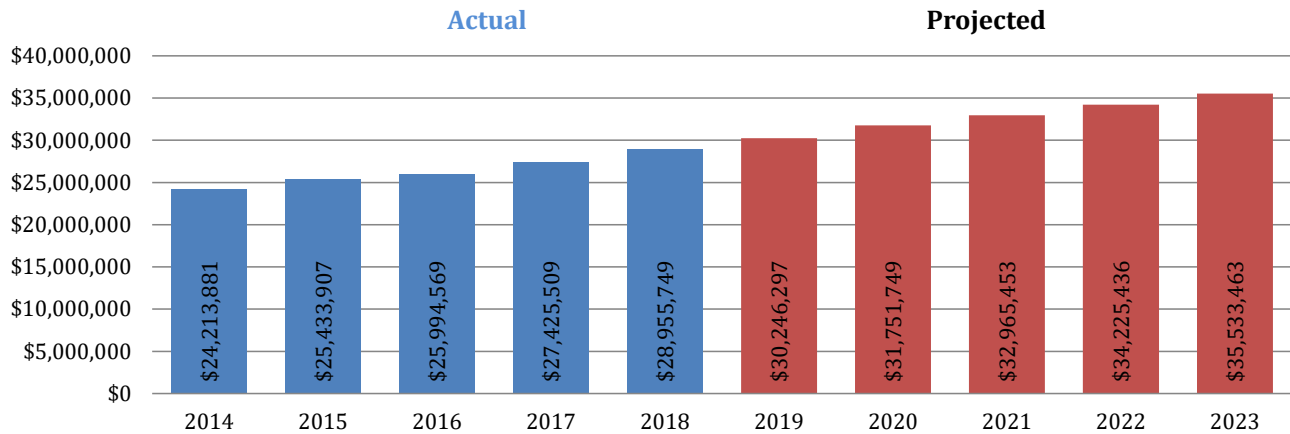


	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Expenditures:							
3.010-Salaries	3.92%	4.46%	4.98%	3.82%	3.82%	3.82%	4.18%
3.020-Benefits	2.65%	5.31%	7.20%	5.76%	5.81%	5.86%	5.99%
3.030-Purchased Services	8.45%	-3.05%	1.95%	2.20%	2.47%	2.47%	1.21%
3.040-Supplies & Materials	6.81%	-5.76%	29.41%	-9.92%	-0.33%	1.97%	3.08%
3.050-Capital Outlay	58.57%	123.74%	-30.70%	-8.52%	0.00%	0.00%	16.90%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	17.88%	-27.66%	-1.18%	-1.29%	-11.57%	-2.59%	-8.86%
4.300-Other Objects	-6.55%	-11.83%	1.03%	1.03%	1.03%	1.03%	-1.55%
4.500-Total Expenditures	4.35%	4.47%	4.39%	2.94%	3.61%	3.82%	3.85%
5.040-Total Other Uses	6.47%	-100.00%	n/a	n/a	n/a	n/a	-100.00%
5.050-Total w/Other Uses	4.21%	4.45%	4.39%	2.94%	3.61%	3.82%	3.84%

Expenditures are projected to experience a 3.84% average annual change. The districts long term plan for textbooks and equipment causes lines 3.040 (Supplies) and 3.050 (Capital Outlay) to fluctuate from year-to-year. However, the categories combined are only 6.0% of total budget. The average annual increase in expenditures exceeds the average annual increase in revenue which eventually consumes one time cash reserves.

3.010 - Personnel Services

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



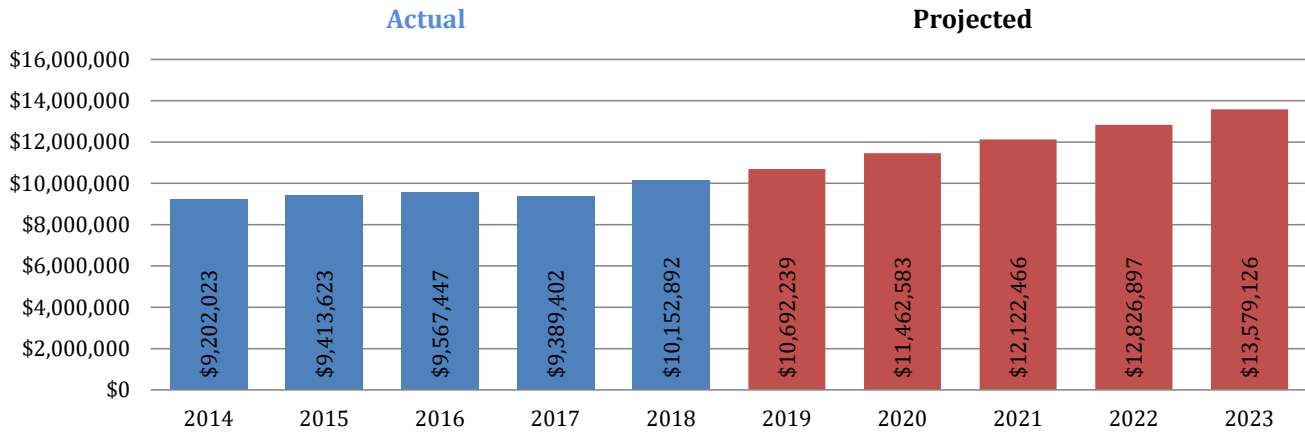
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	28,955,749	30,246,297	31,751,749	32,965,453	34,225,436	35,533,463
YOY \$ Change	1,530,240	1,290,548	1,505,452	1,213,704	1,259,983	1,308,027
YOY % Change	5.6%	4.5%	5.0%	3.8%	3.8%	3.8%
Percentage of Total Budget	55.7%	55.7%	56.0%	56.5%	56.6%	56.6%

Salaries are projected to be 55.6% of the district's FY 2019 budget. Projections included in the forecast account for the current negotiated agreement with the certified and classified unions. In FY 2019 through FY 2023 salaries are projected to grow at an average annual rate of 4.18% which is expected to encompass changes in FTE (personnel count), negotiations, and general inflationary trend. Impacting this trend is the FY 2019 movement of a special education coordinator salary from the general fund to federal program VIb. In addition, FY 2019 includes a retirement/replacement savings of approximately \$51,000. Fiscal year 2020 includes some position changes but there is no net cost increase because of retirements.

The district converted to a 24 pay process in FY 2017 which temporarily increased salary cost in FY 2017 because of timing.

3.020 - Employees' Benefits

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	10,152,892	10,692,239	11,462,583	12,122,466	12,826,897	13,579,126
YOY \$ Change	763,490	539,347	770,344	659,883	704,431	752,229
YOY % Change	8.1%	5.3%	7.2%	5.8%	5.8%	5.9%
Percentage of Total Budget	19.5%	19.7%	20.2%	20.8%	21.2%	21.6%

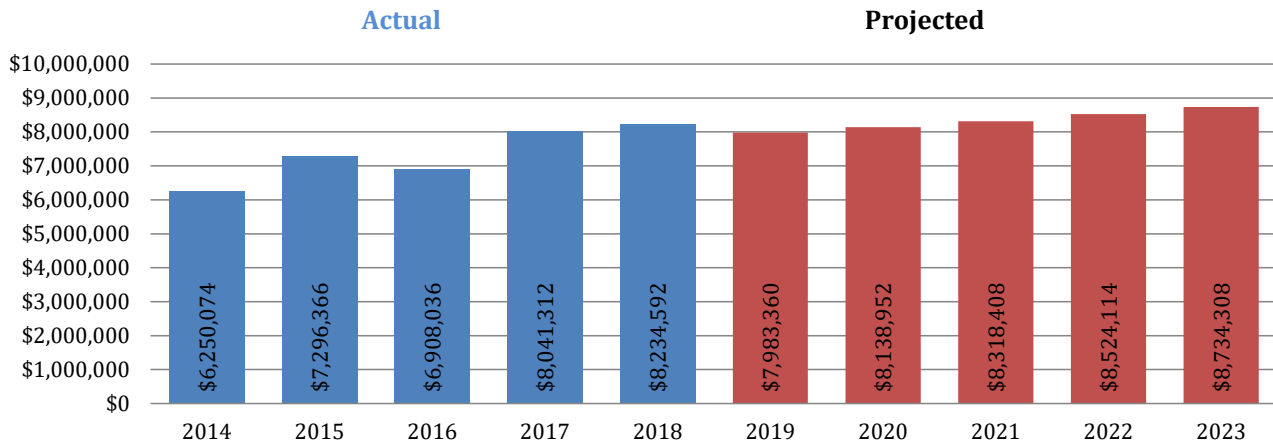
Fringe benefits were 19.5% of the district's budget in FY 2018 and include both salary driven benefits (retirement, Medicare, etc.), and health insurance benefits. Medical insurance totaled approximately \$4,894,505 in FY 2018. In addition to medical, the district also provides dental, vision, and life insurance. The district made changes to its health insurance plan design that reduced costs by about \$255,400 in FY 2017. In FY 2019 the forecast includes a 7.5% increase in premium and 10.0% increases in FY 2020. The district's insurance consortium is recommending a higher increase in FY 2020 but the district's negotiated agreements support plan design changes to stay under 10%. Premium is projected to increase 8.00% in FY 2021 through FY 2023. As salaries increase, salary driven benefit costs (retirement, etc.) increase accordingly.

Fiscal year 2019 also includes expected net savings of \$22,400 due to insurance incentives to employees. Employees will receive incentive payments to not be on the district's insurance, this will generate savings in premium paid compared to the incentive cost. Long term, cost will be driven by claims which will have fewer insured but utilization is unknown. The benefit line also includes tuition reimbursement of \$55,000 as negotiated, starting in FY 2019.

FY 2017 costs also declined because the early retirement incentive payments negotiated three years ago were finalized in FY 2016, the \$514,566 payment made in FY 2016 was the last one and caused a reduction to overall costs in FY 2017.

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.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	8,234,592	7,983,360	8,138,952	8,318,408	8,524,114	8,734,308
YOY \$ Change	193,280	(251,232)	155,592	179,456	205,706	210,194
YOY % Change	2.4%	-3.1%	1.9%	2.2%	2.5%	2.5%
Percentage of Total Budget	15.8%	14.7%	14.4%	14.3%	14.1%	13.9%

Purchased Services are the third largest component of the budget and are expected to be 14.7% in FY 2019. The category includes tuition paid to other districts, utilities, and professional services. One tuition component is College Credit Plus (CCP) which totaled \$495,237 in FY 2017 and \$465,637 in FY 2018 and is expected to total \$480,000 in FY 2019. The district is in the top ten percent of all districts in the state in terms of CCP cost relative to its enrollment.

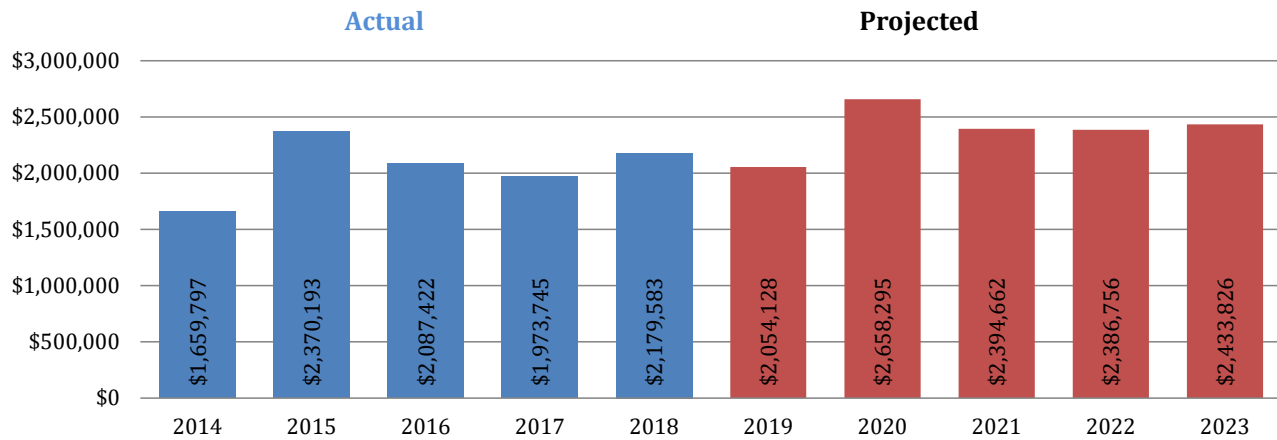
Both community school and open enrollment tuition increased in FY 2017. However, the Ohio Department of Education (ODE) sent a correction in August, 2017 that reduced community school cost by \$100,000 in FY 2018.

The district added three items to purchased services in FY 2018. A special education supervisor was added through the County Educational Service Center (ESC). The Living Transitional Aid Program (Govs) was added in FY 2018 and Forward Edge technology services was also added.

The district's accounting software included bus purchase lease payments in purchased services in FY 2018 which are not included in FY 2019, this is a \$387,045 reduction. Other reductions in FY 2019 include social communications tuition, moved \$106,000 in services to in-house salaries, and reduced cost by \$45,000 in the Shared Resource Center. However, increases in FY 2019 include additional modular leases, other building services, and professional services.

3.040 - Supplies & Materials

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



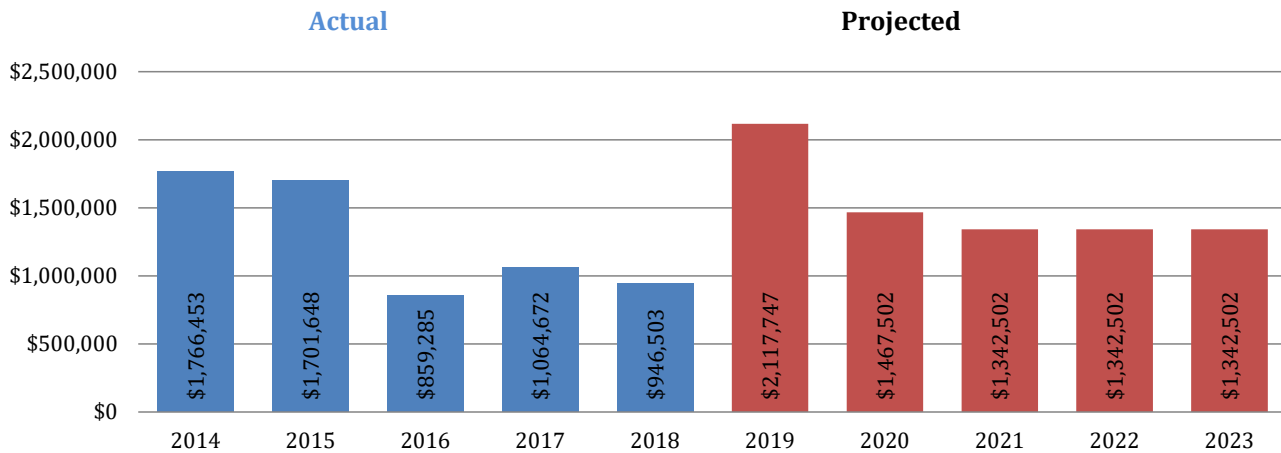
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	2,179,583	2,054,128	2,658,295	2,394,662	2,386,756	2,433,826
YOY \$ Change	205,838	(125,455)	604,167	(263,633)	(7,906)	47,070
YOY % Change	10.4%	-5.8%	29.4%	-9.9%	-0.3%	2.0%
Percentage of Total Budget	4.2%	3.8%	4.7%	4.1%	3.9%	3.9%

The supplies and materials category includes items such as instructional materials and textbook adoptions. The district developed a long term instructional supply investment plan starting in FY 2015 that fluctuates from year-to-year.

Instructional supply expenditures will fluctuate in accordance with the long term plan developed. For example, FY 2020's large increase is due to the textbook replacement schedule that includes a \$700,000 increase for textbooks. The Textbook plan is \$800,000 for FY20, \$500,000 for FY21, and \$450,000 for FY22, and FY23.

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.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	946,503	2,117,747	1,467,502	1,342,502	1,342,502	1,342,502
YOY \$ Change	(118,169)	1,171,244	(650,245)	(125,000)	-	-
YOY % Change	-11.1%	123.7%	-30.7%	-8.5%	0.0%	0.0%
Percentage of Total Budget	1.8%	3.9%	2.6%	2.3%	2.2%	2.1%

Capital outlay was 1.8% of the district's total budget in FY 2018. In FY 2014 the district incorporated a longer term capital plan into its forecast. The plan included a large number of energy conservation capital projects that were completed in FY 2014 and FY 2015.

Roadway and driveway paving, technology related equipment, and the needs included in the current capital plan are ongoing and accounted for in the forecast. The forecast includes some investment in technology, improvements, and general equipment.

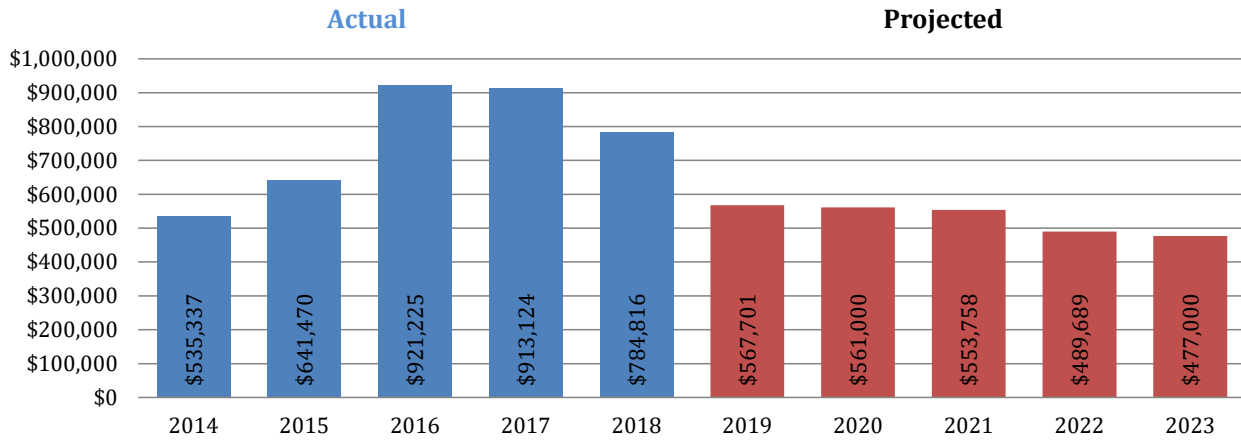
The district is experiencing increased cost in FY 2019 because of building repairs and enhancements. First, the forecast is maintaining a \$625,000 annual base cost investment in FY 2019 and 2020. However, there is additional cost associated with modular and other improvements in FY 2019 which is increasing this line item to \$1,100,000. After FY 2020 the line item will be maintained at \$500,000 per year for FY 2021, 2022, and 2023.

Capital also includes equipment purchases which is expected to total \$640,000 in FY 2019, equipment purchases are forecasted at \$465,000 per year in FY 2020 through FY 2023.

There are many unmet capital needs identified and not included in the financial forecast given the district's projected revenue shortfall. The challenge of meeting the capital investment needs of the district will be analyzed each year and factored into the district's long term plans. The current investment level only addresses the needs that are most urgent.

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.



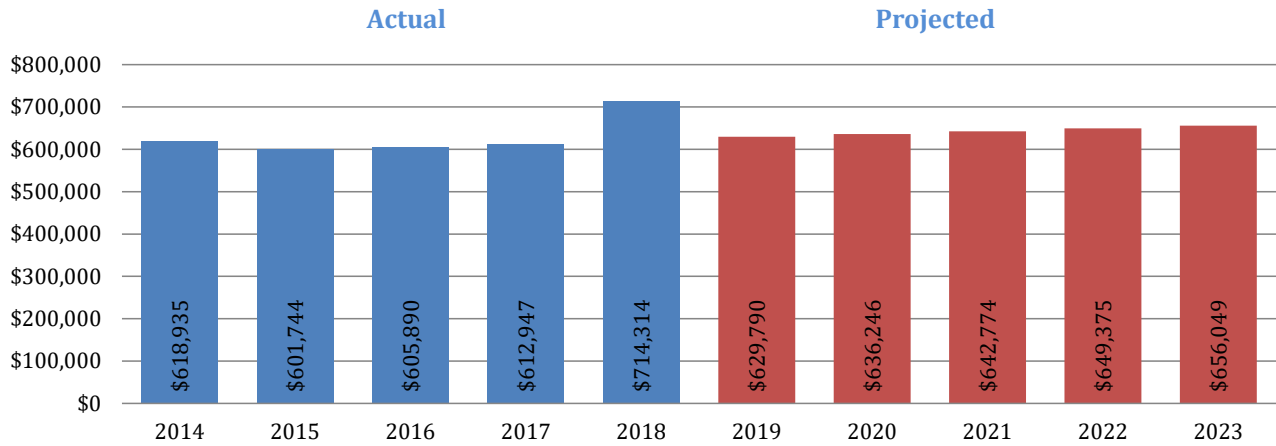
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	784,816	567,701	561,000	553,758	489,689	477,000
YOY \$ Change	(128,308)	(217,115)	(6,701)	(7,242)	(64,069)	(12,689)
YOY % Change	-14.1%	-27.7%	-1.2%	-1.3%	-11.6%	-2.6%
Percentage of Total Budget	1.5%	1.0%	1.0%	0.9%	0.8%	0.8%

The general fund debt portion is comprised of several bus leases, an energy conservation project, and chillers. Toward the end of the forecast period some of these debts will be expired, but may need to be replaced by new leases for items such as copiers and buses.

Debt payments for the district's recent HB 264 energy project, are paid for by the savings in utility costs.

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.

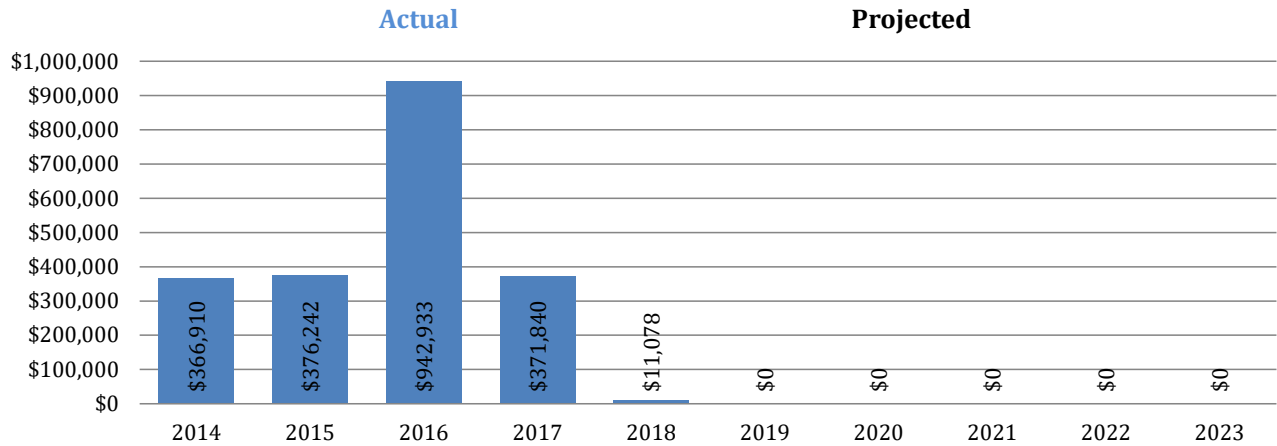


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	714,314	629,790	636,246	642,774	649,375	656,049
YOY \$ Change	101,367	(84,524)	6,456	6,528	6,601	6,674
YOY % Change	16.5%	-11.8%	1.0%	1.0%	1.0%	1.0%
Percentage of Total Budget	1.4%	1.2%	1.1%	1.1%	1.1%	1.0%

This section is primarily comprised of auditor and treasurer fees the county auditor charges (\$385,034 in FY 2018) to collect and disburse tax revenue to the school district. This amount increases slightly as new collections are required, or delinquencies arise.

5.040 - Total Other Financing Uses

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	11,078	-	-	-	-	-
YOY \$ Change	(360,762)	(11,078)	-	-	-	-
YOY % Change	-97.0%	-100.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transfers Out	11,078	-	-	-	-	-
Advances Out	-	-	-	-	-	-

In the past other financing uses has included transfers and advances (temporary loans to other funds). There are no transfers and advances projected for FY 2019 through FY 2023.

Springboro Community City Schools

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2018	2019	2020	2021	2022	2023
Revenue:						
1.010 - General Property Tax (Real Estate)	25,980,873	25,844,828	27,546,883	28,060,386	29,389,303	30,643,594
1.020 - Public Utility Personal Property	5,511,700	6,348,139	5,449,677	6,240,340	6,292,489	6,343,601
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	16,374,691	16,616,476	16,711,461	16,714,767	16,714,571	16,713,092
1.040 - Restricted Grants-in-Aid	8,665	9,473	9,075	9,138	9,138	9,136
1.050 - Property Tax Allocation	3,685,509	3,799,519	3,980,502	4,064,276	4,266,441	4,466,181
1.060 - All Other Operating Revenues	1,637,606	1,638,519	1,564,629	1,550,962	1,562,521	1,574,311
1.070 - Total Revenue	53,199,044	54,256,954	55,262,227	56,639,869	58,234,463	59,749,915
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	-	-	-	-	-	-
2.060 - All Other Financing Sources	176,243	474,756	100,000	100,000	100,000	100,000
2.070 - Total Other Financing Sources	176,243	474,756	100,000	100,000	100,000	100,000
2.080 - Total Rev & Other Sources	53,375,287	54,731,710	55,362,227	56,739,869	58,334,463	59,849,915
Expenditures:						
3.010 - Personnel Services	28,955,749	30,246,297	31,751,749	32,965,453	34,225,436	35,533,463
3.020 - Employee Benefits	10,152,892	10,692,239	11,462,583	12,122,466	12,826,897	13,579,126
3.030 - Purchased Services	8,234,592	7,983,360	8,138,952	8,318,408	8,524,114	8,734,308
3.040 - Supplies and Materials	2,179,583	2,054,128	2,658,295	2,394,662	2,386,756	2,433,826
3.050 - Capital Outlay	946,503	2,117,747	1,467,502	1,342,502	1,342,502	1,342,502
Intergovernmental & Debt Service	784,816	567,701	561,000	553,758	489,689	477,000
4.300 - Other Objects	714,314	629,790	636,246	642,774	649,375	656,049
4.500 - Total Expenditures	51,968,449	54,291,262	56,676,327	58,340,023	60,444,769	62,756,274
Other Financing Uses						
5.010 - Operating Transfers-Out	11,078	-	-	-	-	-
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	11,078	-	-	-	-	-
5.050 - Total Exp and Other Financing Uses	51,979,527	54,291,262	56,676,327	58,340,023	60,444,769	62,756,274
6.010 - Excess of Rev Over/(Under) Exp	1,395,760	440,448	(1,314,100)	(1,600,154)	(2,110,306)	(2,906,359)
7.010 - Cash Balance July 1 (No Levies)	8,580,437	9,976,197	10,416,645	9,102,545	7,502,391	5,392,085
7.020 - Cash Balance June 30 (No Levies)	9,976,197	10,416,645	9,102,545	7,502,391	5,392,085	2,485,726
		Reservations				
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	9,976,197	10,416,645	9,102,545	7,502,391	5,392,085	2,485,726
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	9,976,197	10,416,645	9,102,545	7,502,391	5,392,085	2,485,726
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	9,976,197	10,416,645	9,102,545	7,502,391	5,392,085	2,485,726