



Springboro Community City Schools

Five Year Forecast Financial Report

October, 2018

Terrah Floyd, CFO

Table of Contents

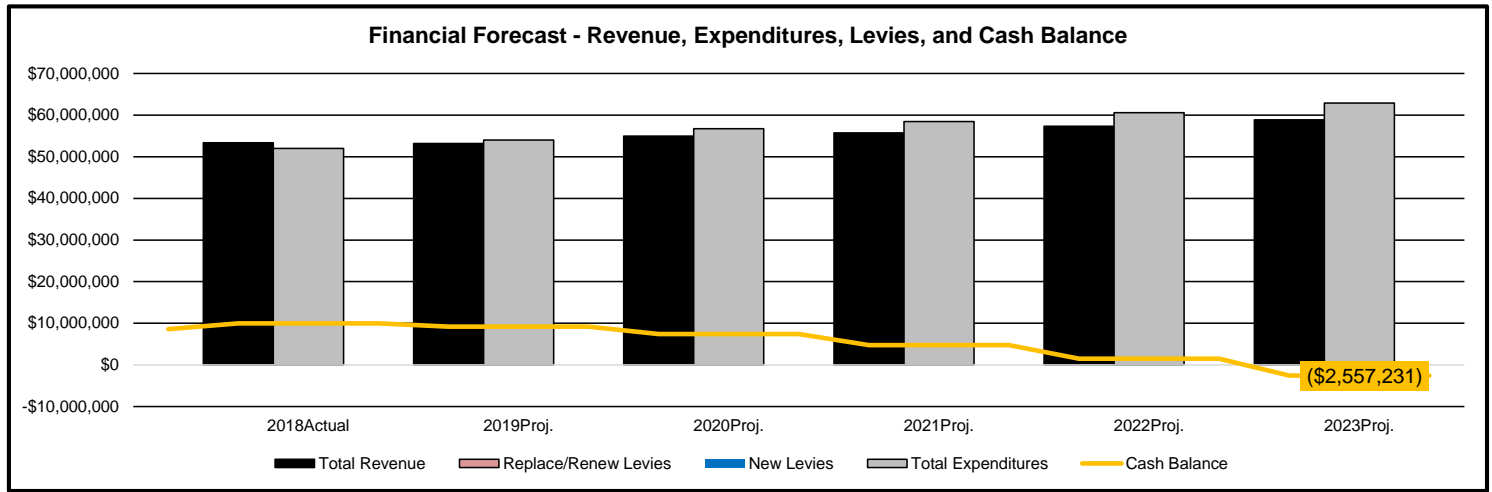
	<u>Page</u>
Table of Contents	2
Forecast Summary	3
Revenue Sources and Forecast Year-Over-Year Projected Overview	4
1.010 - General Property Tax (Real Estate)	5
1.020 - Public Utility Personal Property	6
1.030 - Income Tax	7
1.035 - Unrestricted Grants-in-Aid	8
1.040 & 1.045 - Restricted Grants-in-Aid	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.



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	9,161,316	7,421,661	4,723,840	1,489,084
+ Revenue	53,211,165	54,973,094	55,730,106	57,324,930	58,852,417
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(54,026,046)	(56,712,749)	(58,427,927)	(60,559,686)	(62,898,732)
= Revenue Surplus or Deficit	(814,881)	(1,739,655)	(2,697,821)	(3,234,756)	(4,046,315)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	9,161,316	7,421,661	4,723,840	1,489,084	(2,557,231)

Analysis Without Renewal Levies Included:

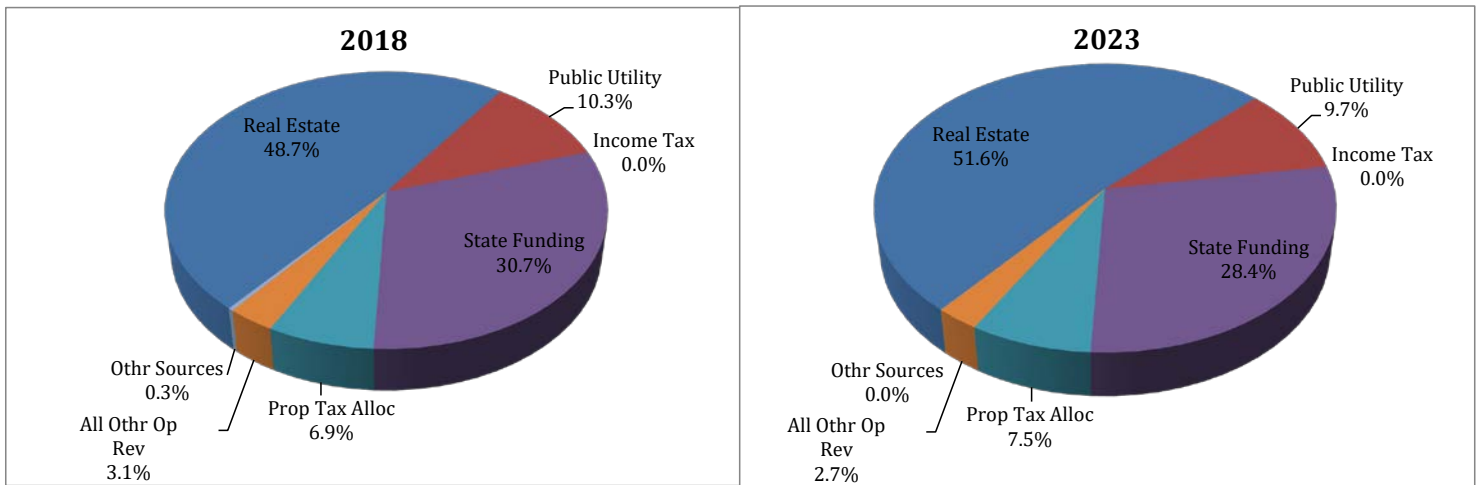
Revenue Surplus or Deficit w/o Levies	(814,881)	(1,739,655)	(2,697,821)	(3,234,756)	(4,046,315)
Ending Balance w/o Levies	9,161,316	7,421,661	4,723,840	1,489,084	(2,557,231)

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 appreciated, the projected increase on revenue growth is not sufficient to sustain the district's increased cost of providing services. Expenses are projected to increase 3.9% annually while revenue is growing at only a 2.0% annual rate. The difference between these two growth rates contributes significantly 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



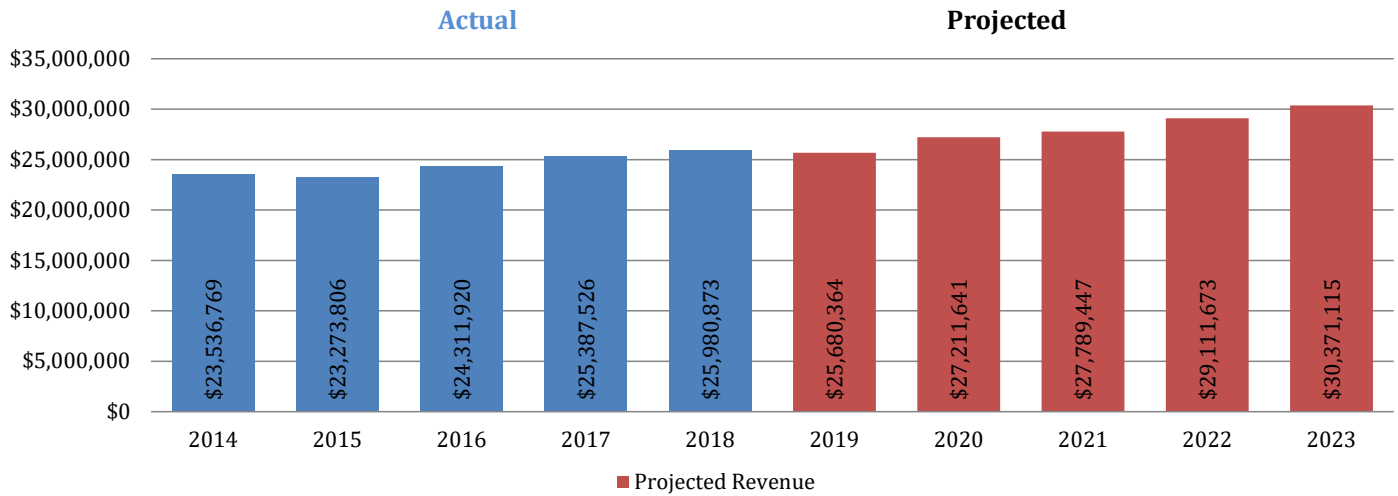
	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Revenue:							
1.010-Real Estate	1.64%	-1.16%	5.96%	2.12%	4.76%	4.33%	3.20%
1.020-Public Utility	6.89%	-3.38%	4.22%	1.36%	0.96%	0.93%	0.82%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	8.99%	2.00%	0.08%	0.02%	0.00%	-0.01%	0.42%
1.040-Restricted Aid	1566.87%	2.78%	1.99%	0.51%	-0.01%	-0.02%	1.05%
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%	2.56%	4.28%	2.13%	5.02%	4.72%	3.74%
1.060-All Other Operating	18.47%	-6.36%	0.07%	1.06%	1.07%	1.07%	-0.62%
1.070-Total Revenue	4.31%	-0.32%	3.65%	1.38%	2.86%	2.67%	2.05%
2.070-Total Other Sources	79.37%	2.83%	-94.48%	0.00%	0.00%	0.00%	-18.33%
2.080-Total w/Other Srcs	4.28%	-0.31%	3.31%	1.38%	2.86%	2.66%	1.98%

Revenue is projected to grow at an average annual rate of 1.98% through FY 2023. The growth rate is below the projected expenditure growth rate of 3.9% annually (on average).

State funding (line 1.035) increases in the first two years because of improvement in the state funding formula for districts like Springboro. However, 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 increases 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	25,680,364	27,211,641	27,789,447	29,111,673	30,371,115
YOY \$ Change	593,347	(300,509)	1,531,277	577,806	1,322,226	1,259,442
YOY % Change	2.3%	-1.2%	6.0%	2.1%	4.8%	4.3%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	48.7%	48.3%	49.5%	49.9%	50.8%	51.6%

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)	100.9%
2018	1,152,839,546	145,134,846	26.68	(2.10)	27.64	(0.87)	99.9%
2019	1,176,426,871	23,587,325	26.70	0.02	27.64	(0.00)	99.9%
2020	1,202,316,379	25,889,508	26.70	(0.00)	27.64	(0.01)	99.9%
2021	1,312,012,065	109,695,685	26.28	(0.42)	26.99	(0.64)	99.7%
2022	1,336,662,065	24,650,000	26.28	(0.00)	26.99	(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 is going through reappraisal in 2018 and the forecast includes modeled growth of 13.6% in residential real estate property values. As a result, the district's residential effective tax rate is projected to decline by 2.12 mills (H.B. 920 reduction) and lower to the 20 mill minimum. Because the district's tax rate (millage cannot be reduced lower than the 20.0 minimum) the district will experience some revenue growth with 2019 collections. If the property values outperform the 13.6% level then the district could receive additional revenue.

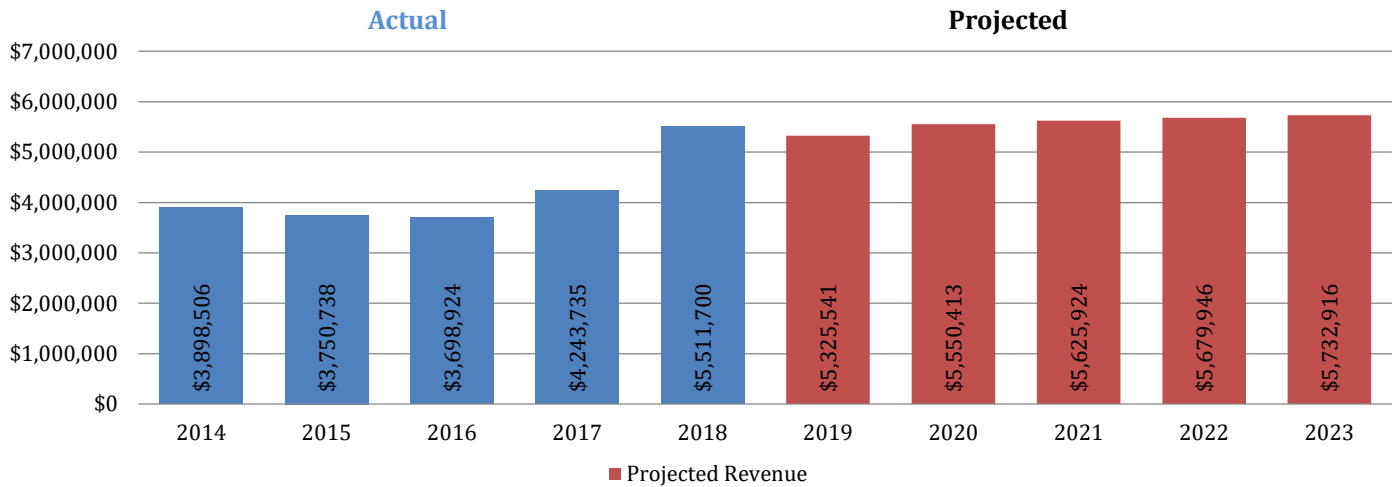
As a result, the district's revenue will grow in FY 2019 and FY 2020. The bar chart above reflects little growth from FY 2018 to FY 2019 because FY 2018 increased as a result of Federal tax law changes that encouraged taxpayers to accelerate their payment of taxes in FY 2018. The growth from FY 2019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

Valuation growth that outperforms the modeled amounts above will generate additional revenue for the district just as lower than modeled values will decrease revenue. 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	5,325,541	5,550,413	5,625,924	5,679,946	5,732,916
YOY \$ Change	1,267,965	(186,159)	224,872	75,511	54,022	52,970
YOY % Change	29.9%	-3.4%	4.2%	1.4%	1.0%	0.9%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	10.3%	10.0%	10.1%	10.1%	9.9%	9.7%

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	110,494,168	1,487,328	49.89	(0.72)	100.0%
2019	112,003,805	1,509,637	49.89	(0.00)	100.0%
2020	113,536,087	1,532,282	49.89	(0.01)	100.0%
2021	115,091,353	1,555,266	49.49	(0.39)	100.0%
2022	116,591,353	1,500,000	49.49	(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 50.72 mills in 2017 for collection in 2018.

The collection rate of PUPP taxes is estimated to be nearly 100%.

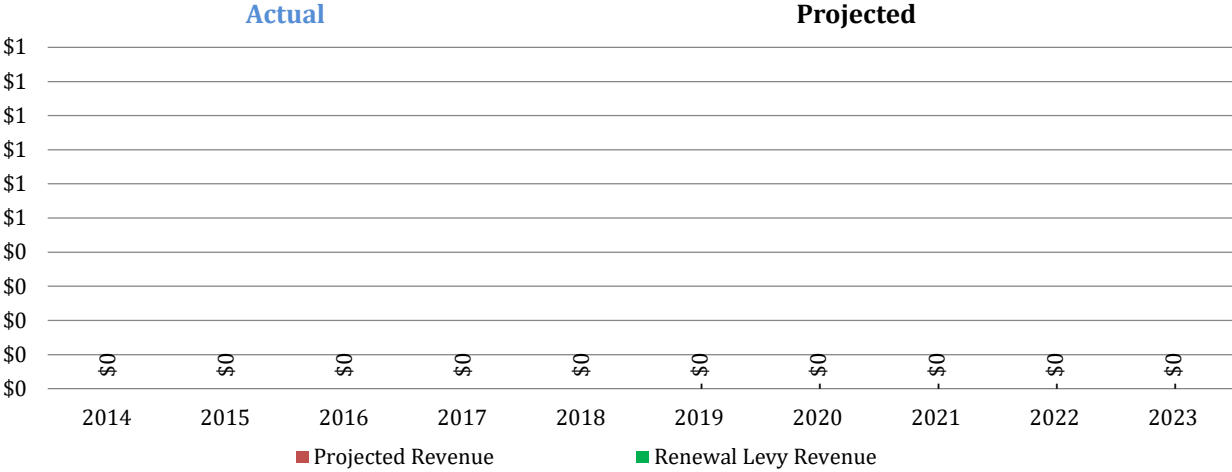
The PUPP property value increased \$24 million in 2016 (for collection in 2017). This 32% increase in value improved revenue starting in FY 2017 (one-half of tax collection cycle). Values also increased 11.6% in 2017 (for collection in 2018). These valuation increases explain the increase in revenue for FY 2018 and FY 2019. The FY 2018 increased also because of a higher first-half collection split which reduced FY 2019 revenue (2nd half 2018)

Valuation growth averages 1.4% annual in tax years 2018 through 2022.

*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.



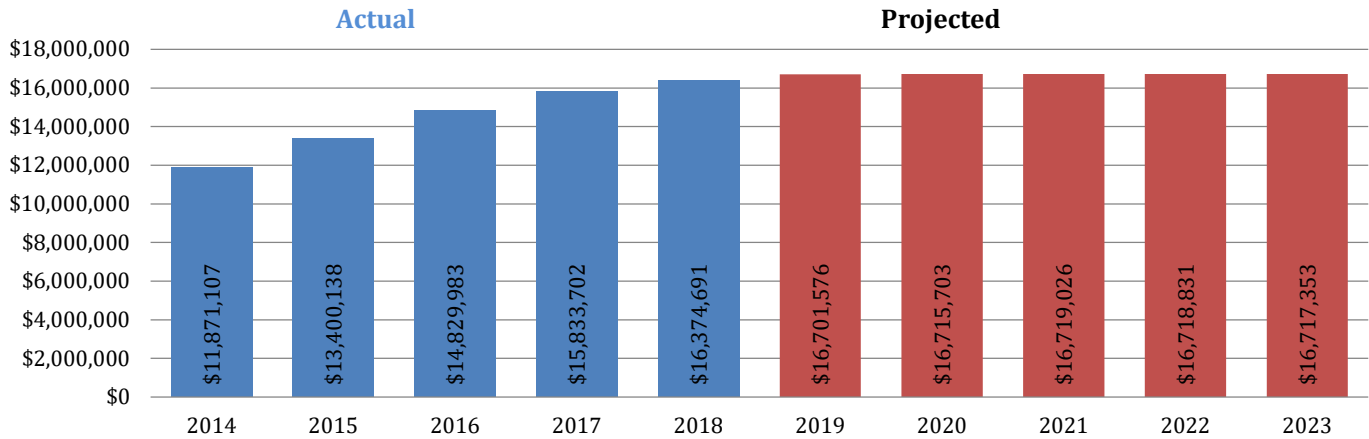
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	-	-	-	-	-	-
YOY \$ Change	-	-	-	-	-	-
YOY % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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	16,701,576	16,715,703	16,719,026	16,718,831	16,717,353
YOY \$ Change	540,989	326,885	14,127	3,323	(195)	(1,478)
YOY % Change	3.4%	2.0%	0.1%	0.0%	0.0%	0.0%
Percentage of Total Revenue	30.7%	31.4%	30.4%	30.0%	29.2%	28.4%
Core Funding Per Pupil	6,010	6,020	6,075	6,150	6,225	6,300
State Share Index (SSI)	36.7%	36.7%	33.5%	33.5%	29.5%	29.5%
State Core Funding Per Pupil	2,207	2,211	2,034	2,059	1,836	1,858
Formula ADM (Funded Student Count)	5,917	5,910	5,909	5,871	5,869	5,863
Funding Status	Capped	Capped	Guarantee	Guarantee	Guarantee	Guarantee

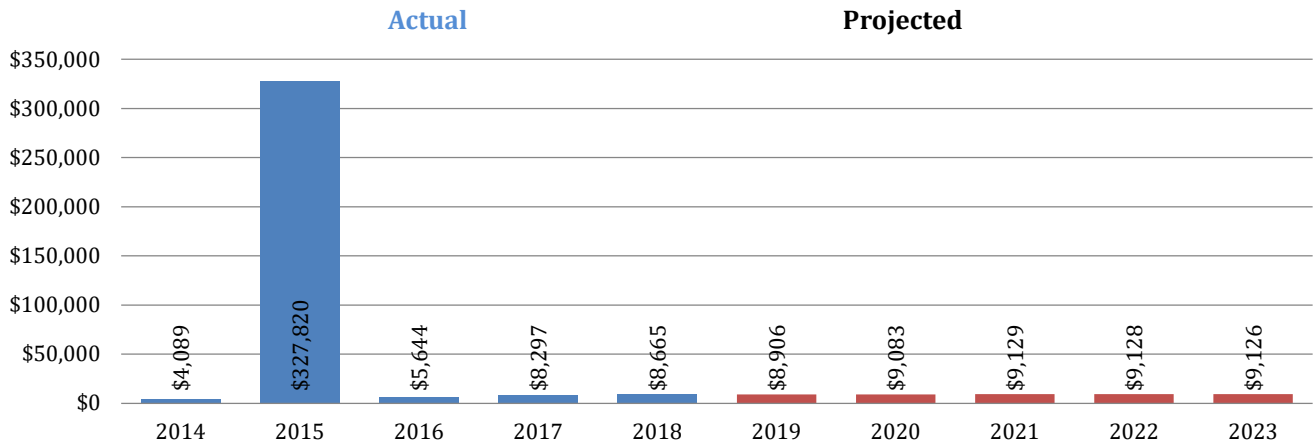
The district's per pupil (foundation) state funding is driven by the calculation of a state share percentage, which is a function of a district's property values. In FY 2017 the district's per pupil valuation (PPV) at \$162,252 is about 183% of the state average for state funding purposes. The district's PPV is projected to grow to \$223,973 by FY 2023. As these numbers indicate, the district is becoming wealthier per pupil relative to the state as a whole which will cause any funding per pupil revenue growth to be very limited. In the event of decreased calculated per pupil funding the state's formula does provide some guarantees to protect the district from large decreases in the level of funding.

The limitation to this guarantee in current law is that loss could occur if enrollment is shrinking faster than benchmarked levels. Springboro's enrollment is not expected to decline in such a way as to reduce the guaranteed funding. As modeled presently the district will be a guarantee district in FY 2020 through FY 2023. The current legislated guarantee is assumed to continue and will help the district to maintain funding. However, it should be noted that the legislature, as always, could take a different approach with guarantee levels and allow districts to lose revenue. The district also has the potential to increase state per pupil revenue if enrollment grows at sufficient levels. The state's share of the \$6,010 FY 2018 per pupil total is \$2,212 which represents a 36.74% state share index (SSI). The SSI is projected to decrease to 29.5% by FY 2023.

Unrestricted funding also includes casino and special education catastrophic cost reimbursement.

1.040 & 1.045 - Restricted Grants-in-Aid

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

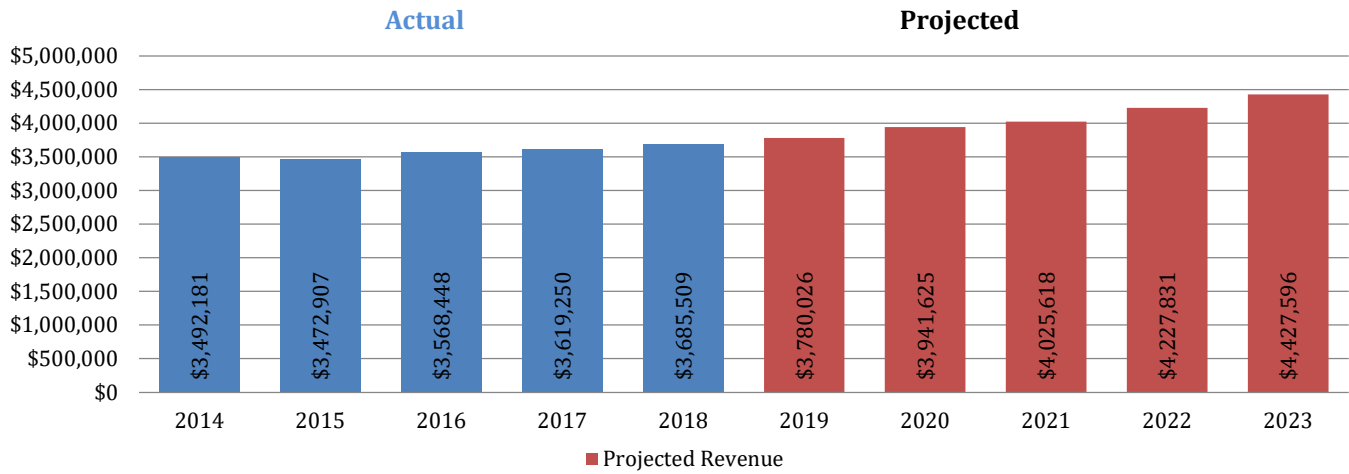


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	8,665	8,906	9,083	9,129	9,128	9,126
YOY \$ Change	368	241	177	46	(1)	(2)
YOY % Change	4.4%	2.8%	2.0%	0.5%	0.0%	0.0%
Percentage of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Economic Disadvantaged Funding	2,244	2,402	2,470	2,454	2,453	2,451
Percentage of Disadvantaged Students	7.1%	7.1%	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.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	3,685,509	3,780,026	3,941,625	4,025,618	4,227,831	4,427,596
YOY \$ Change	66,259	94,517	161,599	83,993	202,213	199,765
YOY % Change	1.8%	2.6%	4.3%	2.1%	5.0%	4.7%
Percentage of Total Revenue	6.9%	7.1%	7.2%	7.2%	7.4%	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%

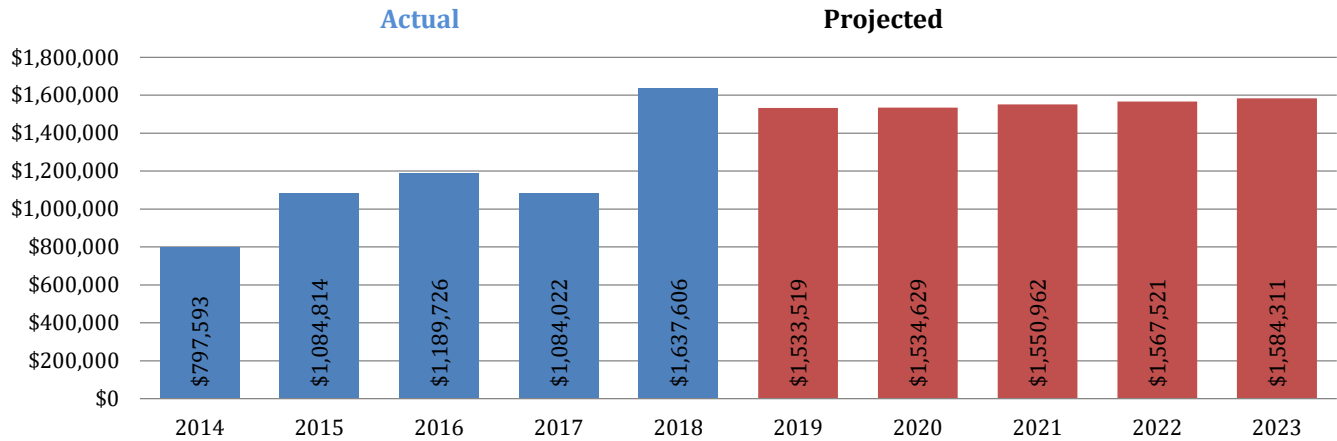
Property tax allocation (PTA) is expected to be 7.1% of the district's total revenue in FY 2019 and is currently comprised of two types of revenue reimbursement.

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.



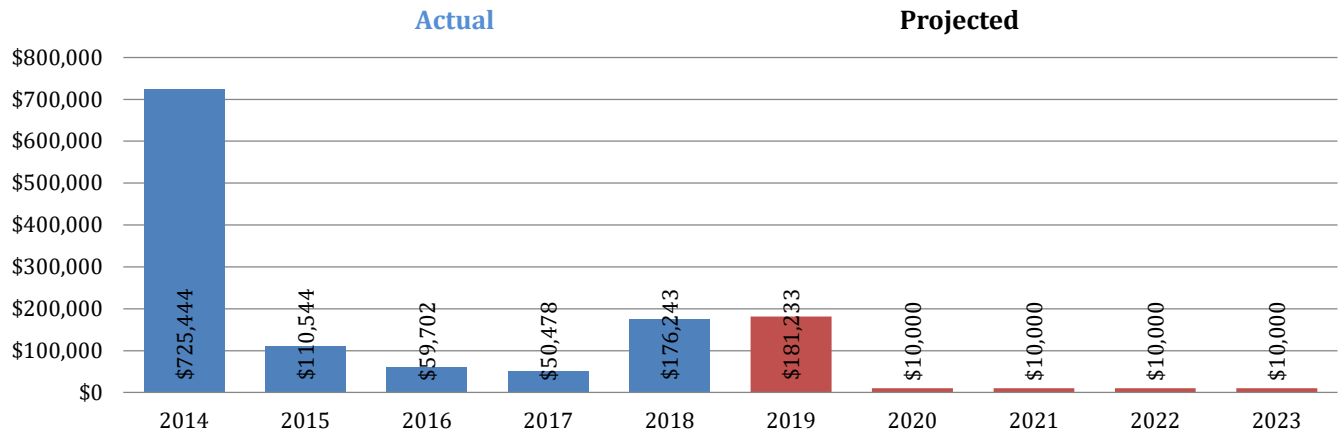
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	1,637,606	1,533,519	1,534,629	1,550,962	1,567,521	1,584,311
YOY \$ Change	553,584	(104,087)	1,110	16,333	16,559	16,790
YOY % Change	51.1%	-6.4%	0.1%	1.1%	1.1%	1.1%
Percentage of Total Revenue	3.1%	2.9%	2.8%	2.8%	2.7%	2.7%

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 fees are estimated to be \$333,000 per year.

Fiscal year 2019 revenue is expected to decline from FY 2018 because of a reduction in tuition revenue from other districts.

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.



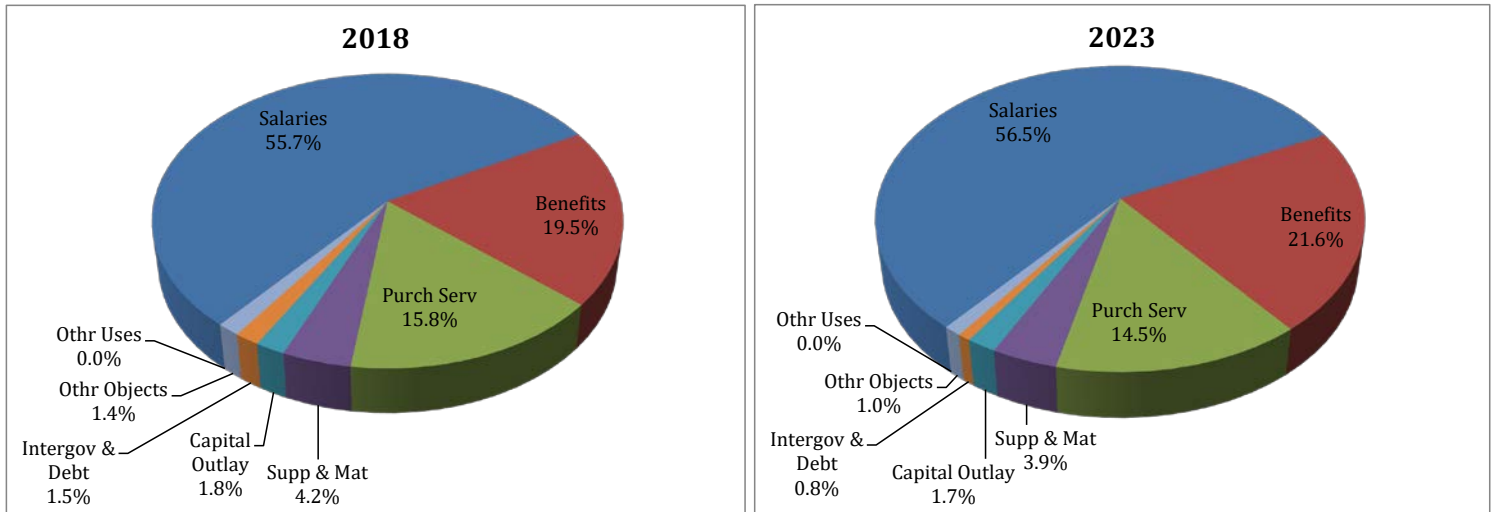
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	176,243	181,233	10,000	10,000	10,000	10,000
YOY \$ Change	125,765	4,990	(171,233)	-	-	-
YOY % Change	249.1%	2.8%	-94.5%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%
Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-

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.

In FY 2018 the district received some one-time refunds for SERS and Workers' Compensation.

In FY 2019 the district received a Bureau of Workers' Compensation premium refund.

Expenditure Categories and Forecast Year-Over-Year Projected Overview

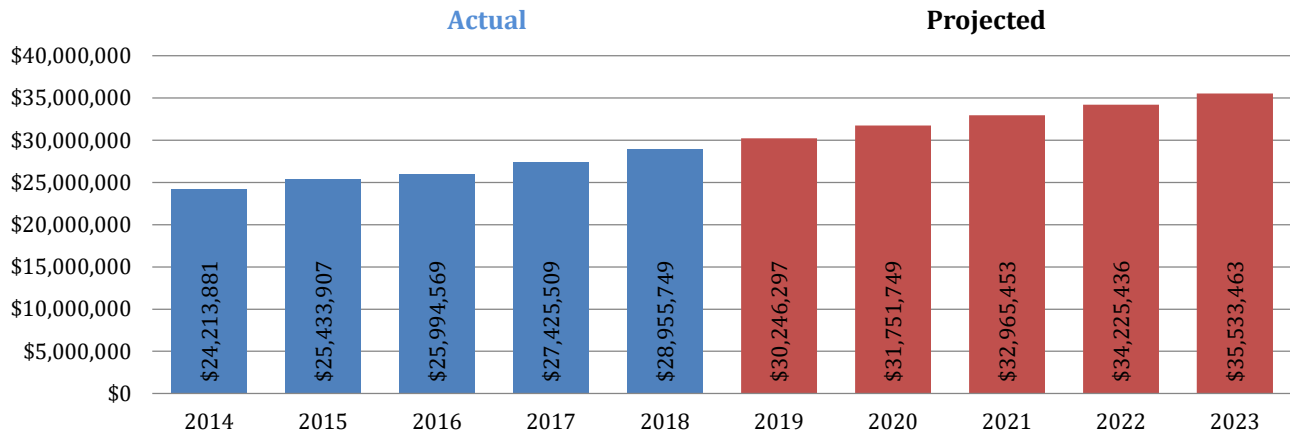


	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Expenditures:							
3.010-Salaries	3.92%	4.46%	4.98%	3.82%	3.82%	3.82%	4.18%
3.020-Benefits	2.65%	5.79%	6.68%	5.72%	5.78%	5.83%	5.96%
3.030-Purchased Services	8.45%	1.03%	1.98%	2.35%	2.60%	2.59%	2.11%
3.040-Supplies & Materials	6.81%	-1.35%	23.64%	-9.92%	-0.33%	1.97%	2.80%
3.050-Capital Outlay	58.57%	44.92%	-15.24%	-7.64%	1.05%	1.06%	4.83%
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%	3.96%	4.97%	3.02%	3.65%	3.86%	3.89%
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%	3.94%	4.97%	3.02%	3.65%	3.86%	3.89%

Expenditures are projected to experience a 3.9% 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.

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%	56.0%	56.0%	56.4%	56.5%	56.5%

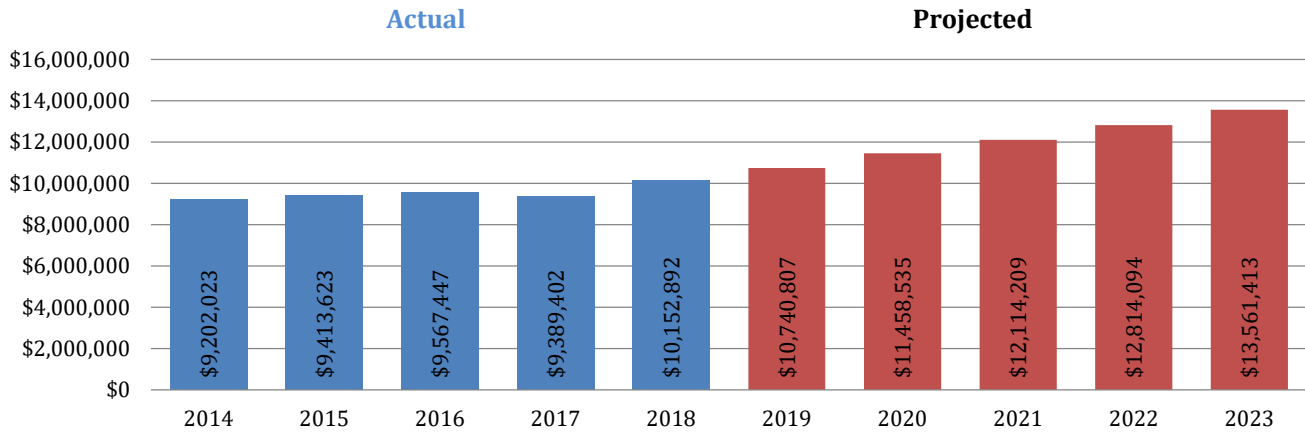
Salaries are projected to be 56.0% of the district's FY 2019 budget. Projections are included in the forecast account for the new negotiated agreement with the certified and classified unions. This agreement is for FY 2019, and FY 2020, with a salary and medical benefits reopener in FY 2021. The agreement includes experiential steps and a 2% base increase for each year for certified staff, and experiential steps and 2.25% base increase for classified staff.

FY 2019 through FY 2023 salaries are projected to grow at an average annual rate of 4.1% which is expected to encompass changes in FTE (personnel count), negotiations, and general inflationary trend. Impacting this trend is the 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.

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	10,740,807	11,458,535	12,114,209	12,814,094	13,561,413
YOY \$ Change	763,490	587,915	717,728	655,674	699,885	747,319
YOY % Change	8.1%	5.8%	6.7%	5.7%	5.8%	5.8%
Percentage of Total Budget	19.5%	19.9%	20.2%	20.7%	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.

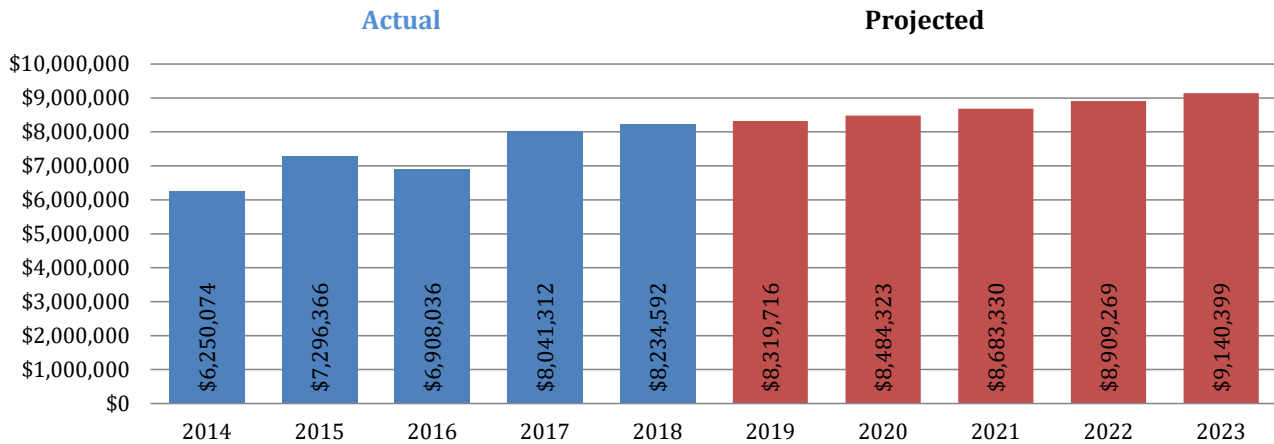
The district made changes to its health insurance plan design that reduced costs by about \$255,400 in FY 2017. In FY 2019 the forecast includes a 7.5% increase in premium and 9.0% increases in FY 2020. Premium is projected to increase 8.00% in FY 2021 through FY 2023. As salaries increase, salary driven benefit costs (retirement, etc.) increase accordingly.

Fiscal year 2019 also includes expected savings of \$100,000 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 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	8,319,716	8,484,323	8,683,330	8,909,269	9,140,399
YOY \$ Change	193,280	85,124	164,607	199,007	225,939	231,130
YOY % Change	2.4%	1.0%	2.0%	2.3%	2.6%	2.6%
Percentage of Total Budget	15.8%	15.4%	15.0%	14.9%	14.7%	14.5%

Purchased Services are the third largest component of the budget and are 15.8% of total expenditures. The category includes tuition paid to other districts, utilities, and professional services. One tuition component is College Credit Plus (CCP) which totaled \$441,000 in FY 2018. The district is in the top ten percent of all districts in the state in terms of CCP cost relative to its enrollment.

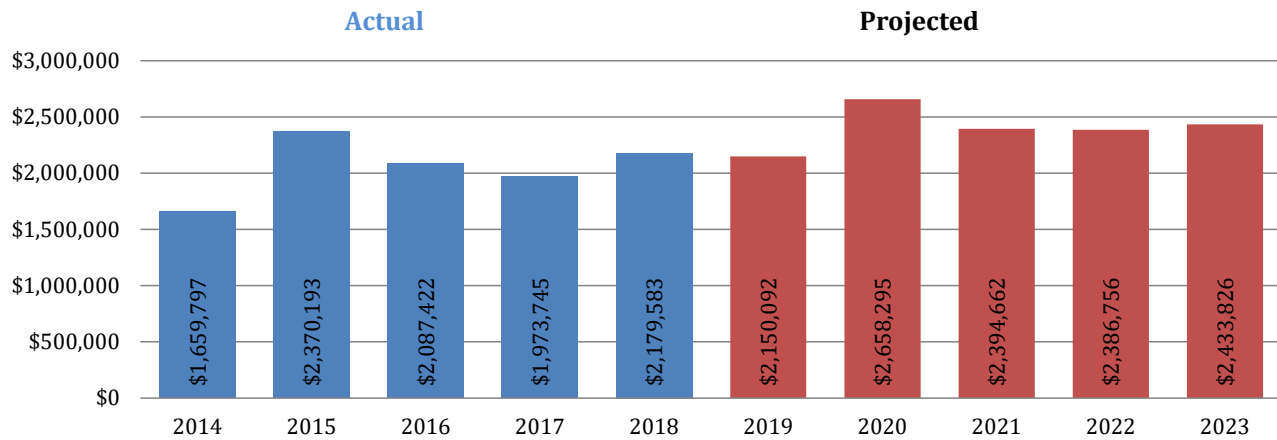
Both community school and open enrollment tuition increased in FY 2017. However, the Ohio Department of Education (ODE) sent a correction in August, 2017 that reduced community school cost by \$100,000.

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.

In FY 2019 the district reduced social communications tuition, moved \$106,000 in services to in-house salaries, and reduced cos by \$45,000 in the Shared Resource Center.

3.040 - Supplies & Materials

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



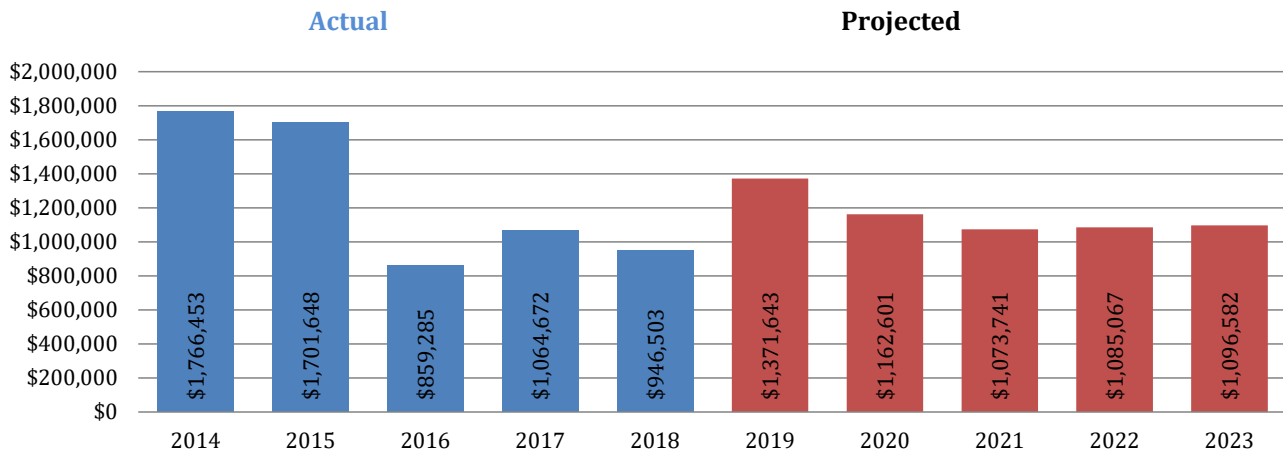
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	2,179,583	2,150,092	2,658,295	2,394,662	2,386,756	2,433,826
YOY \$ Change	205,838	(29,491)	508,203	(263,633)	(7,906)	47,070
YOY % Change	10.4%	-1.4%	23.6%	-9.9%	-0.3%	2.0%
Percentage of Total Budget	4.2%	4.0%	4.7%	4.1%	3.9%	3.9%

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. Fiscal year 2019 includes \$130,000 for one-time textbook purchases carried forward from FY 2018. CCP books for FY2018 totalled \$58,000, making the total cost of CCP with tuition \$499,000 in FY18.

Instructional supply expenditures will fluctuate in accordance with the long term plan developed.

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	1,371,643	1,162,601	1,073,741	1,085,067	1,096,582
YOY \$ Change	(118,169)	425,140	(209,042)	(88,860)	11,326	11,515
YOY % Change	-11.1%	44.9%	-15.2%	-7.6%	1.1%	1.1%
Percentage of Total Budget	1.8%	2.5%	2.0%	1.8%	1.8%	1.7%

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.

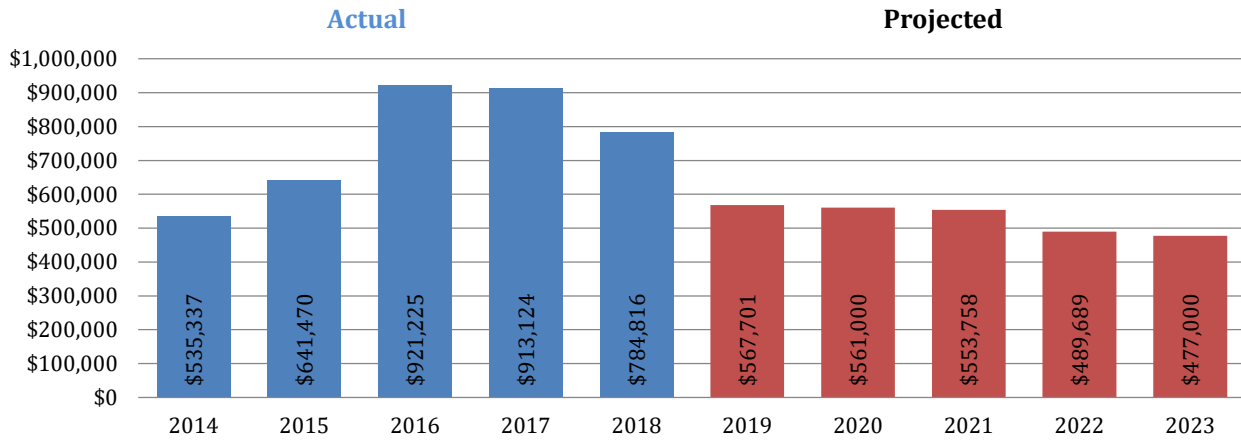
Roadway and driveway paving, technology related equipment, and the needs included in the current capital plan are ongoing and accounted for in the forecast. The forecast includes some investment in technology, improvements, and general equipment.

The district realized a \$220,000 increase in expenditures for FY 2019 due to a lease-purchase of a modular classrooms to meet student needs. For FY2020 and beyond, the costs will be \$102,000 annually. In addition the district is adding \$100,000 in FY 2019 and FY 2020 to address critical capital and building repairs.

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.



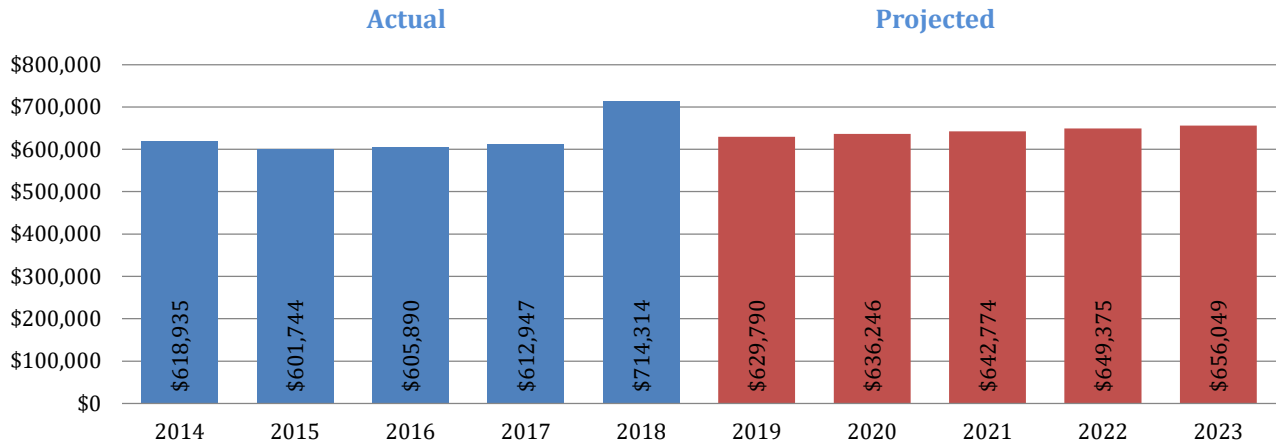
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	784,816	567,701	561,000	553,758	489,689	477,000
YOY \$ Change	(128,308)	(217,115)	(6,701)	(7,242)	(64,069)	(12,689)
YOY % Change	-14.1%	-27.7%	-1.2%	-1.3%	-11.6%	-2.6%
Percentage of Total Budget	1.5%	1.1%	1.0%	0.9%	0.8%	0.8%

The general fund debt portion is comprised of bus leases, capital leases for computers and copiers, and the modular at Clear Creek, and are paid from this section. 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 also includes principal and interest related to the district's recent HB 264 energy savings programs.

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.

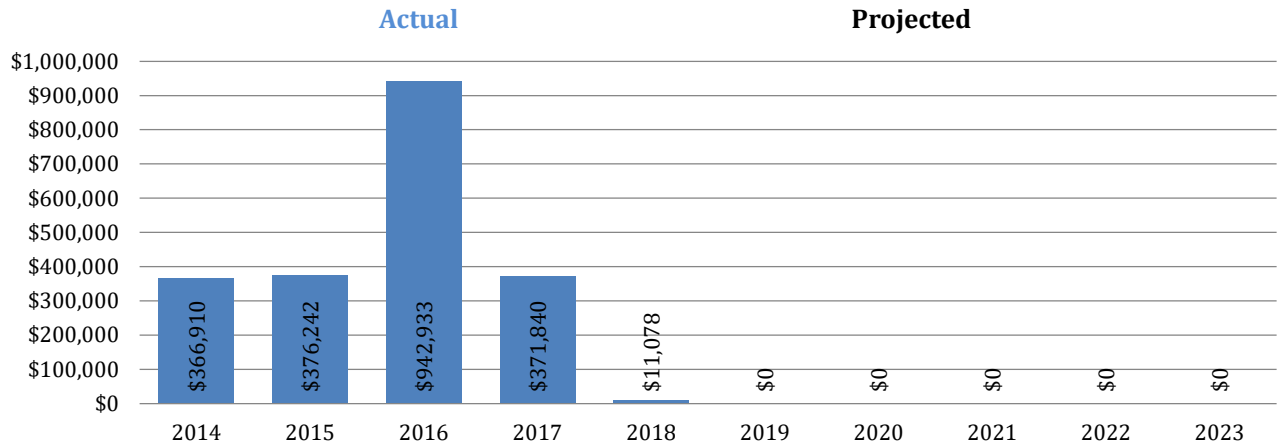


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	714,314	629,790	636,246	642,774	649,375	656,049
YOY \$ Change	101,367	(84,524)	6,456	6,528	6,601	6,674
YOY % Change	16.5%	-11.8%	1.0%	1.0%	1.0%	1.0%
Percentage of Total Budget	1.4%	1.2%	1.1%	1.1%	1.1%	1.0%

This section is primarily comprised of auditor and treasurer fees the county auditor charges (\$381,221 in FY 2017) 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	25,680,364	27,211,641	27,789,447	29,111,673	30,371,115
1.020 - Public Utility Personal Property	5,511,700	5,325,541	5,550,413	5,625,924	5,679,946	5,732,916
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	16,374,691	16,701,576	16,715,703	16,719,026	16,718,831	16,717,353
1.040 - Restricted Grants-in-Aid	8,665	8,906	9,083	9,129	9,128	9,126
1.050 - Property Tax Allocation	3,685,509	3,780,026	3,941,625	4,025,618	4,227,831	4,427,596
1.060 - All Other Operating Revenues	1,637,606	1,533,519	1,534,629	1,550,962	1,567,521	1,584,311
1.070 - Total Revenue	53,199,044	53,029,932	54,963,094	55,720,106	57,314,930	58,842,417
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	181,233	10,000	10,000	10,000	10,000
2.070 - Total Other Financing Sources	176,243	181,233	10,000	10,000	10,000	10,000
2.080 - Total Rev & Other Sources	53,375,287	53,211,165	54,973,094	55,730,106	57,324,930	58,852,417
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	10,740,807	11,458,535	12,114,209	12,814,094	13,561,413
3.030 - Purchased Services	8,234,592	8,319,716	8,484,323	8,683,330	8,909,269	9,140,399
3.040 - Supplies and Materials	2,179,583	2,150,092	2,658,295	2,394,662	2,386,756	2,433,826
3.050 - Capital Outlay	946,503	1,371,643	1,162,601	1,073,741	1,085,067	1,096,582
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	54,026,046	56,712,749	58,427,927	60,559,686	62,898,732
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	54,026,046	56,712,749	58,427,927	60,559,686	62,898,732
6.010 - Excess of Rev Over/(Under) Exp	1,395,760	(814,881)	(1,739,655)	(2,697,821)	(3,234,756)	(4,046,315)
7.010 - Cash Balance July 1 (No Levies)	8,580,437	9,976,197	9,161,316	7,421,661	4,723,840	1,489,084
7.020 - Cash Balance June 30 (No Levies)	9,976,197	9,161,316	7,421,661	4,723,840	1,489,084	(2,557,231)
		Reservations				
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	9,976,197	9,161,316	7,421,661	4,723,840	1,489,084	(2,557,231)
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	9,161,316	7,421,661	4,723,840	1,489,084	(2,557,231)
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	9,161,316	7,421,661	4,723,840	1,489,084	(2,557,231)