

CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE FISCAL YEARS ENDED JUNE 30, 2005, 2006, and 2007 ACTUAL;
 FORECASTED FISCAL YEARS ENDING JUNE 30, 2008 THROUGH 2012

9-10-07 LINE	ACTUAL			PROJECTED				
	Fiscal Year 2004-2005	Fiscal Year 2005-2006	Fiscal Year 2006-2007	Fiscal Year 2007-2008	Fiscal Year 2008-2009	Fiscal Year 2009-2010	Fiscal Year 2010-2011	Fiscal Year 2011-2012
Revenues								
1.010 General Property Tax (Real Estate)	37,112,152	41,688,784	45,875,494	47,048,628	48,638,196	49,735,772	50,758,512	51,885,326
1.020 Tangible Personal Property Tax	5,866,264	5,360,626	4,801,237	4,125,777	2,609,235	1,576,082	1,422,747	1,269,411
1.030 Income Tax								
1.035 Unrestricted Grants-in-Aid (All 3100's except 3130)	12,388,185	12,419,703	12,309,834	12,557,436	12,841,491	13,116,033	13,524,923	13,572,275
1.040 Restricted Grants-in-Aid (All 3200's)	235,271	258,741	286,772	250,000	250,000	250,000	250,000	250,000
1.050 Property Tax Allocation (3130)	5,165,859	5,159,758	6,166,235	6,575,928	7,178,467	7,953,160	7,762,681	7,457,311
1.060 All Other Revenues except 1931,1933,1940,1950,5100, 5200	2,553,681	3,427,674	3,523,110	3,650,000	3,750,000	3,850,000	4,000,000	4,100,000
1.070 Total Revenues	63,321,412	68,315,286	72,962,682	74,207,769	75,267,389	76,481,047	77,718,863	78,534,323
Other Financing Sources								
2.010 Proceeds from Sale of Notes (1940)								
2.020 State Emergency Loans and Advancements (Approved - 1950)								
2.040 Operating Transfers-In (5100)								
2.050 Advances-In (5200)	54,876							
2.060 All Other Financing Sources (including 1931 and 1933)								
2.070 Total Other Financing Sources	54,876	0	0	0	0	0	0	0
2.080 Total Revenues and Other Financing Sources	63,376,288	68,315,286	72,962,682	74,207,769	75,267,389	76,481,047	77,718,863	78,534,323
Expenditures								
3.010 Personal Services	44,131,155	44,983,147	47,134,335	52,152,151	54,721,194	57,615,224	60,869,681	64,221,771
3.020 Employees' Retirement/Insurance Benefits	13,504,191	14,531,679	15,575,703	17,734,047	18,979,624	20,519,265	22,274,790	24,226,757
3.030 Purchased Services	3,590,485	3,785,012	3,923,478	4,553,400	4,644,468	4,737,357	4,832,105	4,928,747
3.040 Supplies and Materials	1,710,822	1,972,691	2,287,941	2,435,300	2,484,006	2,533,686	2,584,360	2,636,047
3.050 Capital Outlay	101,719	202,400	216,753	265,500	270,810	276,226	281,751	287,386
3.060 Intergovernmental (7600 and 7700 functions)								
Debt Service:								
4.010 Principal-All (History Only)								
4.020 Principal-Notes								
4.030 Principal-State Loans								
4.040 Principal-State Advancements								
4.050 Principal-HB 264 Loans								
4.055 Principal-Other								
4.060 Interest and Fiscal Charges								
4.300 Other Objects	531,425	721,551	671,668	734,000	748,680	763,654	778,927	794,506
4.500 Total Expenditures	63,569,797	66,196,480	69,809,878	77,874,398	81,848,782	86,445,412	91,621,614	97,095,214
Other Financing Uses								
5.010 Operating Transfers-Out	1,100,000							
5.020 Advances-Out								
5.030 All Other Financing Uses								
5.040 Total Other Financing Uses	1,100,000	0	0	0	0	0	0	0
5.050 Total Expenditures and Other Financing Uses	64,669,797	66,196,480	69,809,878	77,874,398	81,848,782	86,445,412	91,621,614	97,095,214
<i>Excess of Revenues and Other Financing Sources over (under) Expenditures and</i>								
6.010 Other Financing Uses	(1,293,509)	2,118,806	3,152,804	(3,666,629)	(6,581,393)	(9,964,365)	(13,902,751)	(18,560,891)
<i>Cash Balance July 1 - Excluding Proposed Renewal/ Replacement and New Levies</i>								
7.010	24,528,725	23,235,216	25,354,022	28,506,826	24,840,197	18,258,804	8,294,439	(5,608,312)
7.020 Cash Balance June 30	23,235,216	25,354,022	28,506,826	24,840,197	18,258,804	8,294,439	(5,608,312)	(24,169,203)
8.010 Estimated Encumbrances June 30	677,345	491,199	341,429	400,000	400,000	400,000	400,000	400,000
<i>Reservation of Fund Balance</i>								
9.010 Textbooks and Instructional Materials								
9.020 Capital Improvements								
9.030 Budget Reserve								
9.040 DPIA								
9.050 Debt Service								
9.060 Property Tax Advances								
9.070 Bus Purchases								
9.080 Subtotal	0	0	0	0	0	0	0	0
<i>Fund Balance June 30 for Certification of Appropriations</i>								
10.010	22,557,871	24,862,823	28,165,397	24,440,197	17,858,804	7,894,439	(6,008,312)	(24,569,203)
<i>Revenue from Replacement/Renewal Levies</i>								
11.010 Income Tax - Renewal								
11.020 Property Tax - Renewal or Replacement								
11.300 Cumulative Balance of Replacement/Renewal Levies	0	0	0	0	0	0	0	0
<i>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</i>								
12.010	22,557,871	24,862,823	28,165,397	24,440,197	17,858,804	7,894,439	(6,008,312)	(24,569,203)
<i>Revenue from New Levies</i>								
13.020 Property Tax - New								
13.030 Cumulative Balance of New Levies	0	0	0	0	0	0	0	0
14.010 Revenue from Future State Advancements								
15.010 Unreserved Fund Balance June 30	22,557,871	24,862,823	28,165,397	24,440,197	17,858,804	7,894,439	(6,008,312)	(24,569,203)
ADM Forecasts								
20.010 Kindergarten - October Count	699	692	700	737	749	760	768	775
20.015 Grades 1-12 - October Count	7,457	7,473	7,550	7,808	7,976	8,122	8,353	8,540
20.020 Kindergarten - February Count	695	690	719	743	754	764	771	778
20.025 Grades 1-12 - February Count	7,465	7,520	7,679	7,892	8,049	8,238	8,447	8,612



Centerville City School District Financial Forecast Assumptions

INTRODUCTION

The Centerville City School District serves over 8,300 students in a 31 square mile area in the southeastern part of Montgomery County, Ohio, encompassing the City of Centerville and Washington Township approximately 8 miles south of the City of Dayton. Today, the District operates twelve school buildings: 2 primary schools serving grades K through 1; 6 elementary schools serving grades 2 through grade 5; 3 middle schools serving grades 6 through 8; and, 1 comprehensive high school serving grades 9-12. In addition, the district operates a preschool and alternative high school at separate locations.

This financial forecast and significant assumptions are required by Ohio Revised Code Section 5705.391 to provide a method for the Ohio Department of Education and the Ohio Auditor of State to identify school districts that may be facing financial difficulty over the next five years. The format was designed by those agencies; however, the accuracy and reasonableness of the forecast and assumptions rest with the district administration and Board of Education.

This financial forecast includes three years of historical data and five years of projected data in the district's General Fund. The current fiscal year, 2007-2008, is the first year of projected data. In accordance with state law, anticipated revenue from renewal levies is presented separately from real and personal property tax revenue; however, the district has no renewable levies – all operating levies are for a continuing period of time.

REVENUES

1.010 General Property Tax (Real Estate).

The real estate taxes collected reflect the steady inflationary growth of the school district as it has experienced in the past 10 years. As the school district becomes developed with new residential neighborhoods and commercial properties, the district will continue to experience modest increases in local real estate taxes. It is assumed that new construction will continue at 2.5% of residential/agricultural values throughout the forecast. As of January 2007, over 1,975 additional new homesites have been approved by Centerville and Washington Township and are in various stages of development. It is anticipated that the developments will occur at a steady rate over the next 10-20 years.

New Construction

The district does see some value from new construction, but it doesn't receive the full amount that a new homeowner pays. For each \$100,000 of new construction, a new homeowner pays \$964 in operating taxes (including inside mills). The state takes \$805 away through a related state funding reduction. The district then only nets \$159 per \$100,000 of new construction in the district. This issue is further complicated by the fact that new homes bring new students. The amount that the district receives per \$100,000 of new construction (\$159) is less than 2% of what it costs to educate a Centerville student. New construction does not contribute greatly to the district's revenue.



Centerville City School District Financial Forecast Assumptions

Reappraisal

Some homeowners' taxes increase after reappraisal. If property appreciated at a rate higher than average, then that property would have seen an increase. If property appreciated at a rate lower than the average, then that property would have seen a decrease. If the average home appreciates at a 10% increase, the district's tax revenue is "rolled-back" or reduced by 10%. Schools do not gain significant revenue from this process. Instead, it just redistributes who is paying the taxes.

1.020 Tangible Personal Property Tax.

Personal property taxes are taxes levied on furniture and fixtures, equipment, supplies, inventory, and machines. Ohio Amended Substitute House Bill 66 from the 126th General Assembly (2005) phases out the tax on the tangible personal property of general businesses, telephone and telecommunications companies, and railroads. There are now five different funding schedules that phase out this local tax throughout the forecast.

Tangible Personal Property Tax: Local Receipts

The tax on general business and railroad property will be eliminated by 2009, and the tax on telephone and telecommunications property will be eliminated by 2011. The tax is phased out by reducing the assessment rate on the property each year. The following schedule represents local collections on all business tangible and telephone tangible taxes according to the Ohio Department of Taxation from Spring 2006. These amounts are part of line 1.020. 2007-2008: \$2,689,866 / 2008-2009: \$1,256,574 / 2009-2010: \$306,671 / 2010-2011: \$153,336 / 2011-2012: \$0.

Tangible Personal Property Tax: \$10,000 exemption elimination reimbursement payment

Ohio Amended Substitute House Bill 95 from the 125th General Assembly (2003) originally phased out over 10 years the reimbursements school districts receive from the State for the \$10,000 exemption in tangible personal property tax. The 2002-2003 payment was \$520,313 so the percentage decreases are based on that figure. Yet, Ohio Amended Substitute House Bill 66 from the 126th General Assembly accelerates the phase out of the \$10,000 exemption replacement payments to be complete by 2010 instead of 2013. Based on this new acceleration schedule, the district's final payments are as follows. These amounts are part of line 1.020. 2007-2008: \$166,500 / 2008-2009: \$83,250 / 2009-2010: \$0.

Tangible Personal Property Tax: Public Utility Tangible Personal Property

The remaining public utility tangible person property has not affected yet by any legislation other than the telephone property. The calendar year 2006 taxable value of all public utility tangible personal property is \$30,283,420. Of that value, \$9,865,028 is accounted for with telephone property. The net value is \$20,418,392 and with the full voted school tax rate of 62.17 mills, this generates \$1,269,411 annually for the district. This amount is part of line 1.020 and is expected to remain the same during the term of this financial forecast.



Centerville City School District Financial Forecast Assumptions

1.035 **Unrestricted Grants-in-Aid (State Foundation).**

The per pupil average daily membership/enrollment (ADM) funding amount for 2007-2008 is \$5,565. The following factors could also impact the state funding to the district: income factor adjustments, cost of doing business factors, transportation guarantees, vocational education factors, and special education factors. Also, it is assumed that there will be adequate funding in subsequent years to fund these components including categorical funding for career-tech, training and experience of classroom teachers, gifted education, and transportation.

Critical to the district's state funding stabilization is the introduction of two guarantees in the state foundation formula. The state biennium budget indicates all school districts will receive the same amount for 2007-2008 as received in 2006-2007. Centerville falls into that category by qualifying for the formula aid guarantee. Currently, the base amount totals \$12,200,000 before other state reimbursements described in other sections.

Despite this formula guarantee and even the transitional aid guarantee, the fact remains that the per pupil funding from the state continues to be below 2003 levels after the DeRolph school funding lawsuit was remanded in 2002. The per pupil funding from the state for Centerville is as follows:

2002-2003: \$1,498.18 / 2003-2004: \$1,540.63 / 2004-2005: \$1,477.09

2005-2006: \$1,485.35 / 2006-2007: \$1,479.91 / 2007-2008: \$1,483.269 projected.

This lessening state share is placing the burden of funding quality education in Centerville on the local taxpayers – and an increasing burden on the residential taxpayer as described with the reduction of business taxes for tangible personal property.

Tangible Personal Property Tax – State Reimbursement

The tax on tangible property is to be phased out over the period from 2006 to 2009. During this hold harmless period all taxing authorities will be reimbursed relative to prior law for revenue lost due to the taxable value reductions. Reimbursement will be made for the base year amount, except that taxing authorities are only reimbursed for inventory property assessment percentage reductions beyond those already in place. This means taxing authorities are only reimbursed for the amount of revenue projected by using listing percentages for inventory property of 23% in 2006, 18.75% in 2007, 12.5% for 2008, and 6.25% for 2009. Again, this is an example of a hold harmless provision that is subject to change with future General Assemblies – much like the \$10,000 exemption reimbursement payment hold harmless provisions described.

The following schedule represents the portion of the hold harmless reimbursement from the state paid through the State Foundation Program on all business and telephone tangible taxes according to the Ohio Department of Taxation from Spring 2006. These amounts will be added to the projected State Foundation payments on line 1.035. 2007-2008: \$357,436 / 2008-2009: \$641,491 / 2009-2010: \$916,033 / 2010-2011: \$1,324,923 / 2011-2012: \$1,372,275 / 2012-2013 and beyond: \$1,419,627 annually.



Centerville City School District Financial Forecast Assumptions

Phantom revenue

Essentially, formula aid is calculated by taking the ADM times the ADM funding times the cost of doing business factor for Montgomery County minus what the school district tax base generates for 23 mills. As the district's tax base increases, the voted mills decrease in accordance with the effects of Ohio House Bill 920 from 1975 (now in the Ohio Constitution) to maintain a relatively flat revenue stream. However, the state continues to use the tax base to determine the state's share of school funding irrespective of the effects of Ohio House Bill 920. This phenomenon called "phantom revenue."

1.050 Property Tax Allocation (Rollback and Homesite Reimbursement).

The rollback and homestead reimbursements are tax credits by the State of Ohio granted to residential owners of real estate property. A 10% reduction in the property taxes paid by the owner is paid by the state to the school district. If the property owner occupies the property, then an additional 2.5% reduction in the property taxes is paid by the state to the school district instead of the property owner.

Tangible Personal Property Tax – State Reimbursement: Direct Payments

The restructuring of the tangible personal property tax calls for replacing the revenue lost due to phasing out the tax. In the first five years, school districts and local governments are reimbursed for lost revenue; in the following seven years, the reimbursements are phased out. This is an example of a hold harmless provision that is subject to change with future General Assemblies – much like the \$10,000 exemption reimbursement payment hold harmless provisions described.

The following schedule represents the portion of the hold harmless reimbursement from the state paid through the State Foundation Program on all business tangible and telephone tangible taxes according to the Ohio Department of Taxation from Spring 2006. These amounts will be added to the projected Rollback payments on line 1.050. 2007-2008: \$1,405,890 / 2008-2009: \$1,882,730 / 2009-2010: \$2,533,592 / 2010-2011: \$2,229,841 / 2011-2012: \$1,797,344 / 2012-2013: \$1,381,518 / 2013-2014: \$1,130,333.

1.060 All Other Revenues.

Other local taxes include investment earnings, proceeds from rental of our facilities, and tuition received from other districts for special education and vocational students. These revenue items can greatly fluctuate from year-to-year. It is assumed that interest rates will continue at the current rate for the next year and hold steady during this forecast. For 2007-2008, Centerville is anticipating earning \$1,550,000 from interest revenue. Another \$1,400,000 is anticipated from the employee share of medical and dental insurances. The district expends the total premium of insurance and accounts for it on the fringe benefit line then reimburses itself for the employee share and accounts for it on the "other revenues" line. For "Non-operating Other Revenue/Advances In," this revenue source was eliminated through the increased operating efficiency within the finance office that resulted in receiving all entitled Federal Grant Funds within the current fiscal year.



Centerville City School District Financial Forecast Assumptions

1.070 **Total Revenues.**

The increases account for the growth of local property values within the district including the effects of the new operating levy, and there are potential decreases in state funding amounts. The revenue projections are based on the current system in place, based on anticipated legislative actions surrounding the future state biennium budgets, and based on what we know today.

EXPENDITURES

In order to continue conservative financial stewardship of the district's financial resources, every effort will be made to spend less than the budgeted amount for this and future fiscal years. In addition, a negotiated agreement with the teachers' union provides financial flexibility to deal with the uncertainty in state and local funding for public education yet maintains a competitive and attractive compensation package to retain and recruit the best qualified employees.

The latest enrollment projections from three independent consultants all concur the student population will continue to increase through the end of the decade. Additional faculty and staff will be required to maintain the educational excellence enjoyed by the residents of the District as one of a few districts statewide to earn the highest designation possible by the Ohio Department of Education for each of the past eight years.

3.010 **Personal Services (Salaries).**

This line accounts for the salaries of the entire faculty and staff paid from the General Fund. It includes costs for substitute employees, co-curricular activity contracts, and overtime/extra-time above the contract.

Negotiated increases

The current negotiated agreement for the certificated teaching staff expires June 30, 2011 and includes base salary increases of 4.0% for 2007-2008; 2.0% for 2008-2009; 2.5% for 2009-2010; and 3.0% for 2010-2011 contingent on no adverse effect on the funding of the District from the state or local levels. These increases remain competitive among the high performing area districts yet recognize the potential for an eroding tax base based on legislative actions and community preferences.

Step advancement increases

Step advancement increases are the result of teaching and non-teaching employees moving from one step to another step on a salary schedule based on completing a year of service within the district. In addition, teachers may move from one educational level to another as a result of the completion of additional college educational requirements. The average increase in cost each year is estimated at approximately \$1,300,000 annually.



Centerville City School District Financial Forecast Assumptions

Additional faculty and staff

As the district continues to experience increasing enrollment, additional teaching faculty and support staff members will be required. This forecast accounts for 5 additional positions annually beginning with the 2008-2009 year. Actual staffing will be adjusted annually to respond appropriately to enrollment needs.

3.020 Employees' Retirement/Insurance Benefits.

This line accounts for the fringe benefits (board paid contributions to employee retirement systems, medical, dental and life insurance premiums, Medicare, and workers compensation) of the entire staff.

Retirement

Retirement costs increases are in direct, positive correlation to salary and wage increases as required by state laws. The district is required to pay 14% of employees' salaries into one of two public employee retirement systems in Ohio. The District expects this level to continue on this version of the financial forecast. However, the retirement systems are considering a legislation-driven 2.5% point increase phased-in over 5 years.

Medical insurance

The District is responsible for the first 15% increase in total premium with the employees paying for any increase over 15% or making adjustments to benefit levels. The District renewal occurs January 1 of each year. Beginning January 1, 2008, the District will implement a high deductible healthcare plan (HDHP) with a health savings account (HSA). Instead of a 17%-29% increase on the old PPO medical insurance plan, the HDHP was 18% lower than 2007 rates. The District agreed to fund a portion of the employees' HSA with the savings; therefore, there were no immediate budget savings. However, the District, faculty, and staff believe this national trend implemented locally will save money in the long-term.

Dental insurance

Dental insurance rate experience has not been similar to health insurance rate experience. The District renewal occurs January 1 of each year and has renegotiated a 3 year contract with Superior Dental Care. Instead of the 6% rate cap that was in place for 2008, the rates will increase 3% for 2008 and has rate caps of 6% for 2009 and 6% for 2010.

Life insurance

The District negotiated a 12% rate reduction with Fort Dearborn for a new 2 year contract through May 2009 for the district-paid term life insurance policy it holds for employees.

Medicare

Only employees hired at Centerville since April 1, 1986 are required to pay Medicare taxes. The district is required to pay a matching 1.45% of all salaries and wages for those employees. This cost is expected to increase as new employees are hired.



Centerville City School District Financial Forecast Assumptions

Workers' compensation

The Ohio Bureau of Workers' Compensation payments will continue as wages paid increase. The current rate paid to the BWC is 0.008846 of wages paid and can vary greatly annually based on the number of employees that participate in the program.

3.030 Purchased Services.

For planning purposes, most items in this area are projected to increase 2% annually to meet the cost of inflation. The main budget items in this area include all utilities (gas, electric, water, sewer, garbage), equipment repairs, postage, post secondary education option tuition, and special education tuition. These budget items are generally considered the fixed cost items to operating the district.

For 2007-2008, the following square footage was (or will be) added to the district's schools: 13,110 at Primary Village North; 72,000 at Primary Village South; 30,000 at Centerville High School academic addition; 35,063 at Centerville High School auditorium addition. For 2007-2008, \$1 per square foot (or \$150,173) in utility costs has been added to the forecast. The 14,750 square feet addition at Tower Heights in 2008-2009 and 17,820 square feet addition at Cline Elementary in 2009-2010 will be reexamined at those times for cost implications.

3.040 Supplies and Materials.

For planning purposes, most items in this area are projected to increase 2% annually. The main budget items in this area include all textbook purchases, instructional supplies, maintenance and custodial supplies, and transportation fuel and parts. This is one area that is governed by the House Bill 412 and Senate Bill 345 fiscal accountability standards from the 122nd General Assembly that requires 3% of the prior year's base cost multiplied by the district's student population to be used for textbook and instructional supplies purchases. These forecasted figures comply with those mandates.

The amount spent on supplies, materials and textbooks can vary significantly annually. The curriculum and subsequent textbook purchase cycle primarily account for this variation. In addition, timing may also play a significant role in cost reporting depending upon when the textbooks are ordered, delivered, and the bill is paid.

3.050 Capital Outlay.

Capital outlay includes all new and replacement equipment for the district. Examples of these items include technology, and audio-visual equipment. Again, this is an area that is governed by the House Bill 412 and Senate Bill 345 requirements from the 122nd General Assembly that mandates purchases toward capital improvements and maintenance. These forecasted figures combined with expenditures from the permanent improvement fund (not reflected on this forecast) comply with those mandates.



Centerville City School District Financial Forecast Assumptions

4.300 Other Objects (dues and fees).

For planning purposes, most items in this area are projected to increase 2% annually. The main budget items in this area include Montgomery County Auditor and Treasurer fees, election expenses, bank charges, and the annual financial audit. It is assumed that the County Auditor will continue to collect fees at an increased level as the district has experienced in the past few years.

5.010 Operating Transfers Out.

In 2004-2005, the district transferred the final \$1,100,000 to the Permanent Improvement Fund for the new fine arts and athletics addition at Centerville High School. New transfers out are not anticipated.

5.020 Advances Out.

Advances out represent temporary cash advances to other funds (typically Federal Grant Funds) ended after the 2004-2005 fiscal year. The increased focus on increasing the operating efficiency within the finance office should result in receiving all entitled Federal Grant Funds within the current fiscal year.

8.010 Encumbrances.

Encumbrances are financial obligations the district has made to vendors but not paid in full such as open purchase orders. Encumbrances are similar to an accounts payable in the private sector. Since all purchases are required to be encumbered when ordered, the amount of encumbrances at year-end is directly related to the timing of ordering, delivery, and subsequent payment of the bill. As a result of those timing issues, the ending encumbrances as of June 30 each year can vary significantly.

For future years, it is assumed that encumbrances will continue at current levels. The only impact of a deviation is that if encumbrances increase then expenditures will have decreased from forecasted levels or vice versa. The impact on available funds is zero.

UNRESERVED FUND BALANCE

15.010 Unreserved Fund Balance June 30.

This is the bottom line for the district once all of the revenues, expenditures, debt payments, and reservations are accounted for. Every fiscal year must end with a positive unreserved fund balance because any multi-year contract which is knowingly signed that will cause a negative unencumbered cash balance is a violation of Ohio Revised Code Section 5705.41.2. In the event the assumptions would change the financial forecast that creates a negative balance, then a contingency plan will be implemented in order to offset any projected shortfall. This contingency plan may include proposed additional tax levy requests and/or necessary budget reductions.



Centerville City School District Financial Forecast Assumptions

ENROLLMENT

In this section, the state-prescribed title “ADM” means average daily membership which is an adjusted headcount for students based on factors such as attendance and counting kindergarten students at 0.5 if not enrolled in all day programs. However, the Ohio Department of Education has requested a headcount for all resident students as recorded in the October and February count weeks – not ADM. Therefore, the district’s estimated headcounts are provided.

The enrollment figures projected for future years are reflected in the revenue lines as well. As reported on Line 1.010 General Property Tax (Real Estate), it is assumed that new construction will continue at 2.5% of residential/agricultural values throughout the forecast. Also, the enrollment figures projected for future years are reflected in the expenditure lines. As reported on Line 3.010 Personal Services (Salaries), additional teaching faculty and support staff members will be required to maintain reasonable class sizes. Actual staffing will be adjusted annually to respond appropriately to enrollment needs.

These enrollment projections are meant to serve as a planning tool for the future and represent the most likely enrollment direction. Many factors can cause deviations from the projections such as economics and demographics.

CONCLUSION

Finally, the information presented on this financial forecast is representative of what is known and available this time. Changes will inevitably occur throughout the next five years that this document covers. And while funding challenges lie ahead for the district, we are in a position today to make informed choices that will continue the tradition of excellence (including high academic results and sound fiscal management) for all of our students.

Prepared: October 15, 2007
Approved: October 22, 2007