



Buckeye Local Schools - Ashtabula County

Five Year Forecast Financial Report

October 16, 2018

Jamie Davis, Treasurer

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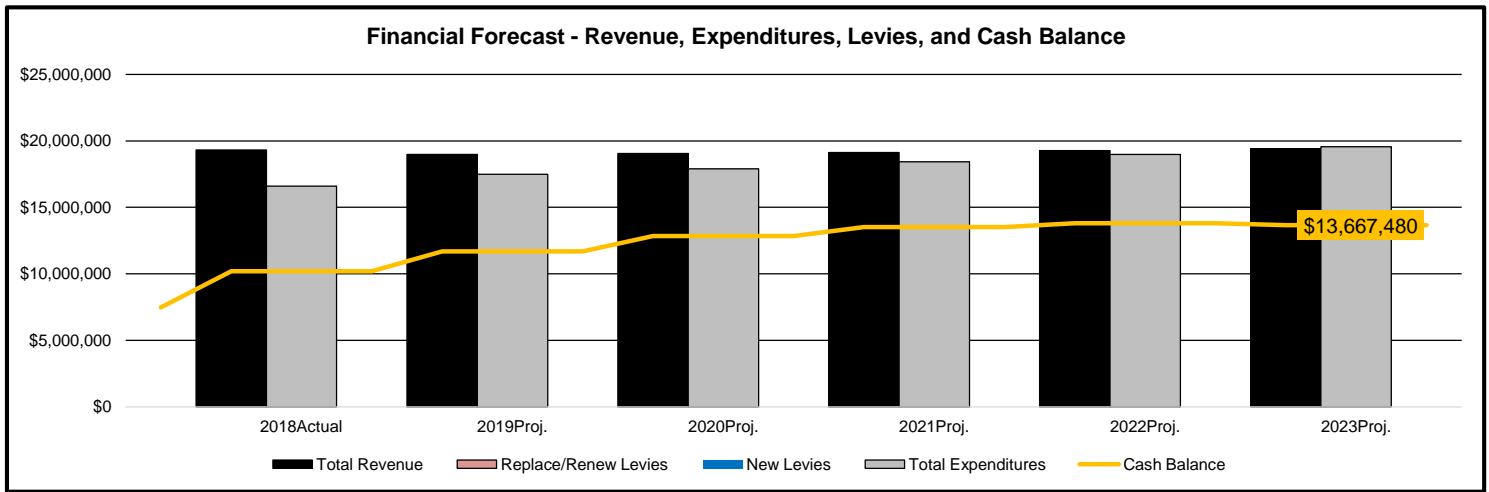
Forecast Purpose/Objectives

Ohio Department of Education's purposes/objectives for the five-year forecast are:

1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

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



Buckeye Local Schools - Ashtabula County

Financial Forecast

Financial Forecast	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Beginning Balance	10,506,040	12,003,530	13,158,152	13,841,618	14,129,673
+ Revenue	18,982,770	19,050,120	19,113,721	19,276,330	19,424,169
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(17,485,280)	(17,895,498)	(18,430,255)	(18,988,275)	(19,566,362)
= Revenue Surplus or Deficit	1,497,490	1,154,622	683,466	288,055	(142,193)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	12,003,530	13,158,152	13,841,618	14,129,673	13,987,480

Analysis Without Renewal Levies Included:

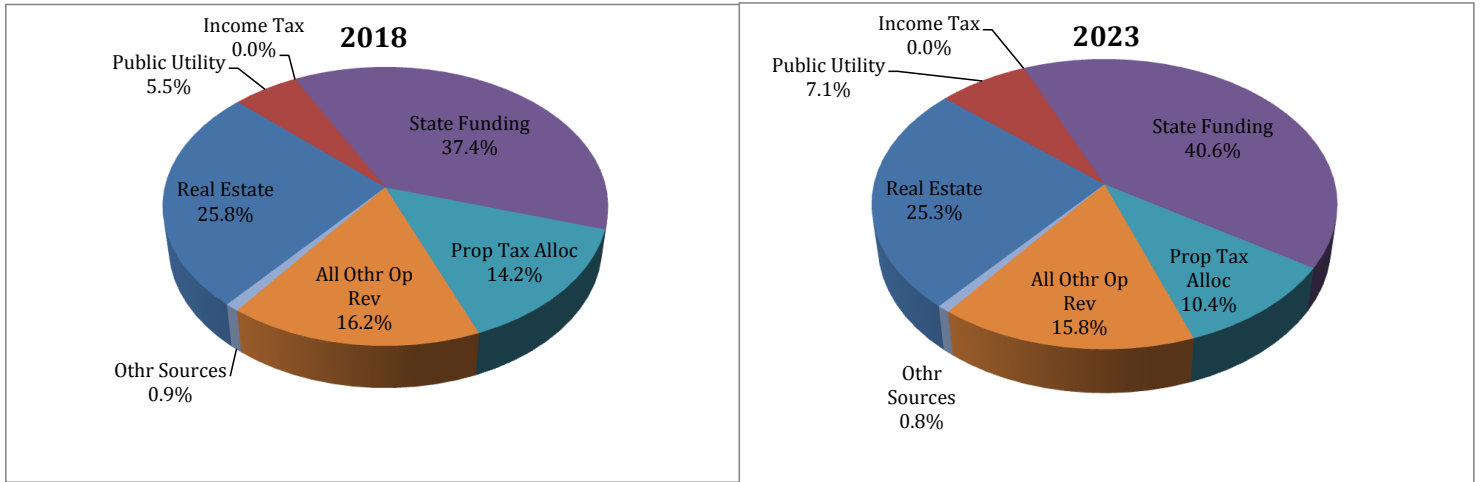
Revenue Surplus or Deficit w/o Levies	1,497,490	1,154,622	683,466	288,055	(142,193)
Ending Balance w/o Levies	12,003,530	13,158,152	13,841,618	14,129,673	13,987,480

In order to maintain fiscal stability in a school district, it is important for the district to avoid continuous deficit spending over multiple fiscal years and to ensure that there is an adequate cash balance to fund the day-to-day operations of the district. Deficit spending occurs when the district's annual expenditures exceed the annual revenue collections.

The Buckeye Local School District has been successful in meeting both of these items over the past few years, and based on the forecast projections provided in this document, their financial outlook will continue to stay positive for the next five years. Given the size of the district's overall budget, the cash balance throughout the forecast period will be sufficient to support the operations of the district. Current projections also indicate that the district will not incur an operating deficit for four of next five years.

Due to the district's reliance on state funding, they will continue to monitor enrollment levels and model the possible impact that fluctuations in enrollment trends could have on state funding levels. Any significant drops in not only resident students of the district, but also students that are attending the district through open enrollment or other tuition based programs could have a significant impact on the district's future financial outlook.

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	0.59%	-5.29%	2.93%	0.58%	0.45%	0.11%	-0.25%
1.020-Public Utility	4.22%	19.47%	2.09%	2.53%	2.47%	2.41%	5.79%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	4.89%	-0.83%	2.25%	1.58%	3.06%	2.97%	1.81%
1.040-Restricted Aid	194.23%	8.82%	0.98%	0.11%	-0.78%	0.90%	2.01%
1.045-Restr Federal SFSF	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-3.76%	-5.73%	-5.63%	-5.76%	-6.11%	-6.69%	-5.98%
1.060-All Other Operating	20.63%	-1.61%	-3.81%	1.07%	1.07%	1.07%	-0.44%
1.070-Total Revenue	3.88%	-1.57%	0.32%	0.34%	0.86%	0.77%	0.14%
2.070-Total Other Sources	2.59%	-15.25%	5.44%	0.00%	0.00%	0.00%	-1.96%
2.080-Total w/Other Srcs	3.06%	-1.69%	0.35%	0.33%	0.85%	0.77%	0.12%

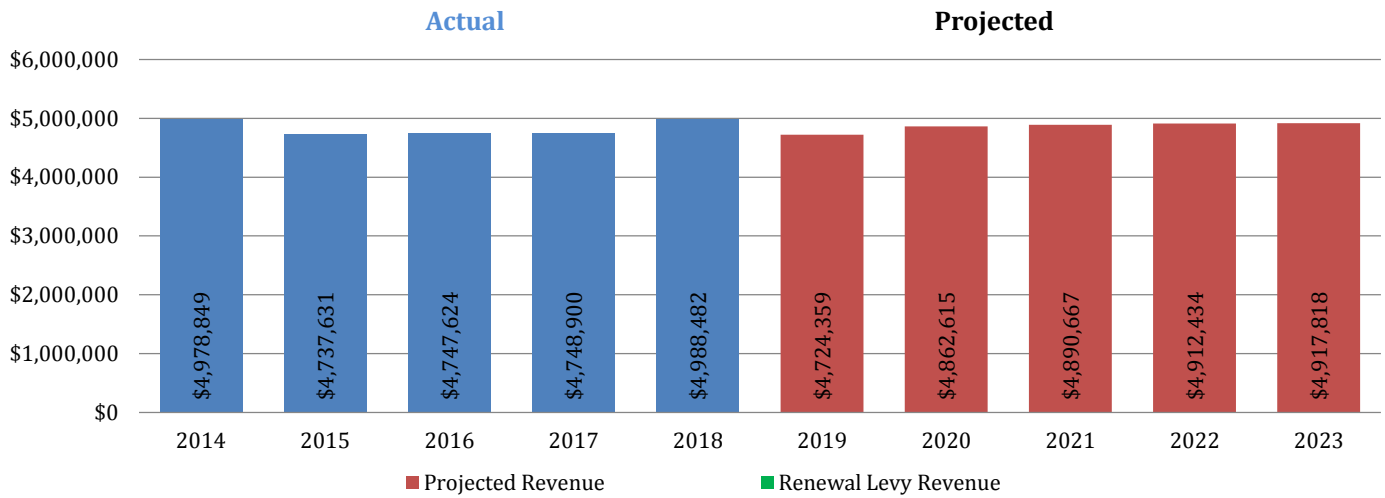
Over the past five years, the district has experienced an average annual increase in operating revenue of 3.88%. This high year-over-year increase in revenue was due to state funding (unrestricted and restricted) going from \$5.98 million in FY14 to \$7.2 million in FY18. In addition, the all other operating revenue line item of the forecast went from \$1.46 million in FY14 to \$3.13 million in FY18.

Over the next five years, operating revenue is expected to grow at an average rate of .14% per year. Smaller projected increases in state funding and other operating revenue cause the projected year-over-year increase to be less than the historic increases in overall revenue.

The following forecast assumptions will outline the annual change in revenue for each line item noted above.

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	4,988,482	4,724,359	4,862,615	4,890,667	4,912,434	4,917,818
YOY \$ Change	239,582	(264,123)	138,256	28,052	21,767	5,384
YOY % Change	5.0%	-5.3%	2.9%	0.6%	0.4%	0.1%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	25.8%	24.9%	25.5%	25.6%	25.5%	25.3%

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	219,255,350	13,009,310	21.86	(1.32)	36.78	(0.62)	98.5%
2018	219,057,860	(197,490)	21.88	0.01	37.23	0.45	99.0%
2019	219,531,506	473,646	21.86	(0.01)	37.34	0.11	99.0%
2020	230,341,054	10,809,548	20.87	(1.00)	37.34	-	99.0%
2021	230,768,358	427,304	20.86	(0.01)	37.44	0.09	99.0%
2022	231,208,358	440,000	20.84	(0.01)	37.51	0.07	99.0%

Real estate tax revenue represented 25.8% of the district's general fund revenue in FY18, and is the district's second highest revenue source.

The district's Class I property values are made up of residential property (80%) and agricultural property (20%). During the county-wide triennial update that occurred in tax year 2018, the district experienced one of the largest increases in residential property values (8.9%) in the past ten years. Furthermore, even with changes in State law that recalculate how the Current Agricultural Use Value (CAUV) portion of this land is calculated, the district experienced an increase in these values of 2.2% during the 2017 tax year.

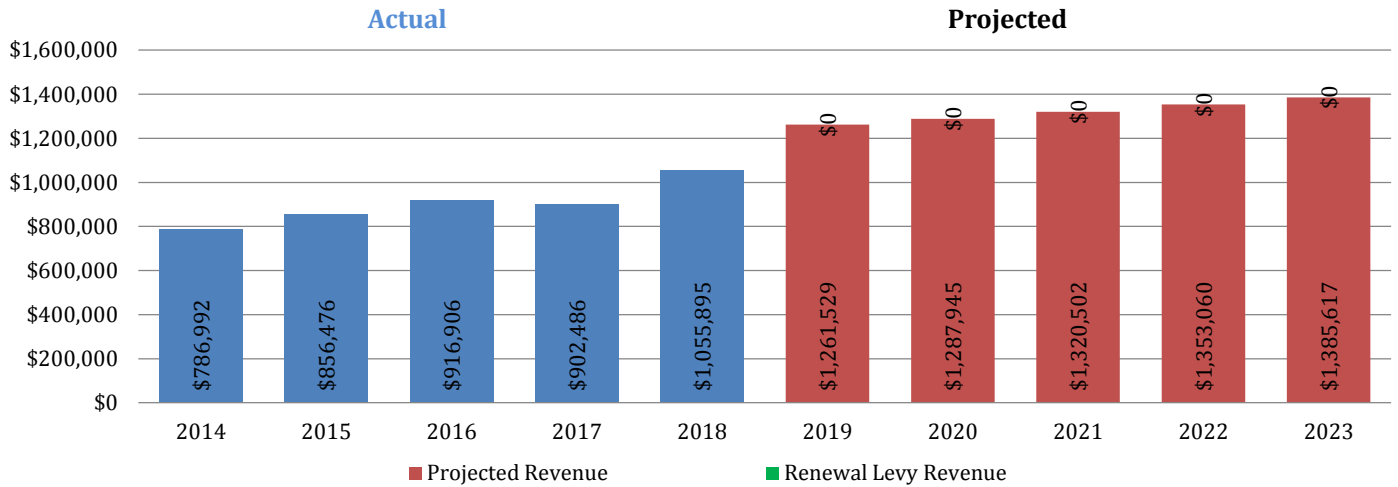
The district has also modeled a \$680,000 decrease in Class II property values for tax year 2018 due to tax complaints that were filed and expected to be granted.

In recent years, the district has experienced an average annual gross collection rate of approximately 99%. The district anticipates that this rate will remain consistent to the historical average in subsequent fiscal years.

*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.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	1,055,895	1,261,529	1,287,945	1,320,502	1,353,060	1,385,617
YOY \$ Change	153,409	205,634	26,416	32,557	32,558	32,557
YOY % Change	17.0%	19.5%	2.1%	2.5%	2.5%	2.4%

Percentage of Total Revenue	5.5%	6.6%	6.8%	6.9%	7.0%	7.1%

Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2017	28,271,810	8,166,560	43.41	-	100.0%
2018	29,271,810	1,000,000	43.41	-	100.0%
2019	30,021,810	750,000	43.41	-	100.0%
2020	30,771,810	750,000	43.41	-	100.0%
2021	31,521,810	750,000	43.41	-	100.0%
2022	32,271,810	750,000	43.41	-	100.0%

This line reflects the public utility personal property taxes.

Since 2013, the district has experienced consistent increases in public utility - personal property values, with the exception of 2016, where these values dropped by 6.2%.

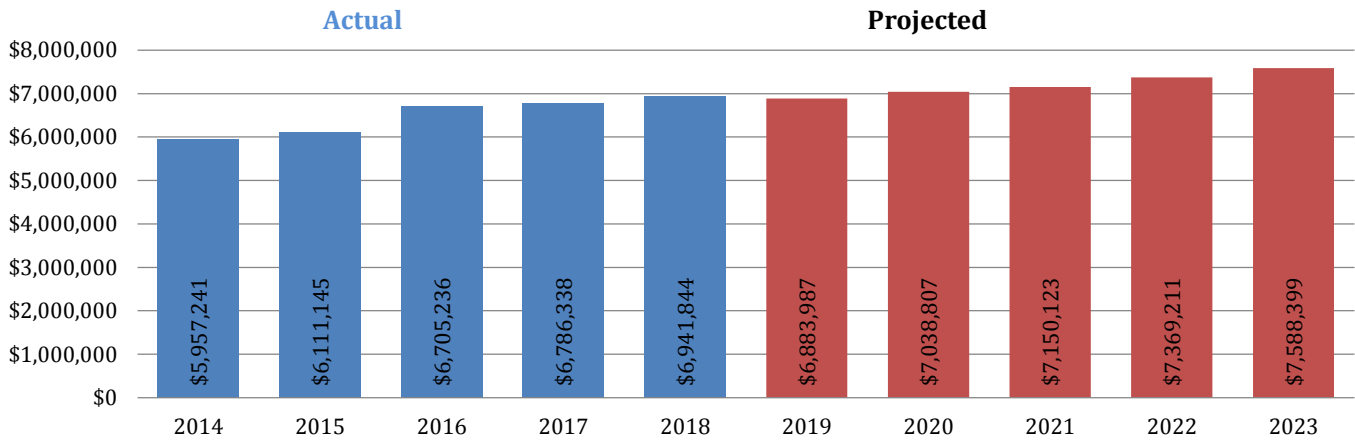
In tax year 2017, a substantial increase was experienced by the district for this property category which increased values by 40.6%. This increase was due to the American Transmission Sys, a subsidiary of First Energy Company, constructing additional facilities/buildings/station. This increase in values resulted in additional tax revenue for the district in the previous fiscal year of \$230,000 and will increase the current and future fiscal years by approximately \$460,000 annually.

It is not known at this time if the large increase in values, due to the American Transmission Sys upgrading their facilities and related property, is complete or will carryover into the next tax year. The current forecast projections include year-over-year increases that are slightly lower than the historical average.

*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	6,941,844	6,883,987	7,038,807	7,150,123	7,369,211	7,588,399
YOY \$ Change	155,506	(57,857)	154,820	111,316	219,088	219,188
YOY % Change	2.3%	-0.8%	2.2%	1.6%	3.1%	3.0%
Percentage of Total Revenue	36.0%	36.3%	36.9%	37.4%	38.2%	39.1%
Core Funding Per Pupil	6,010	6,020	6,100	6,150	6,200	6,250
State Share Index (SSI)	47.8%	47.8%	47.9%	47.9%	49.0%	49.0%
State Core Funding Per Pupil	2,871	2,875	2,920	2,944	3,038	3,063
Formula ADM (Funded Student Count)	1,541	1,518	1,521	1,523	1,542	1,562
Funding Status	Formula	Formula	Formula	Formula	Capped	Capped

The revenue collected from the state funding formula is the district's largest source of revenue and generates 36% of the district's revenue.

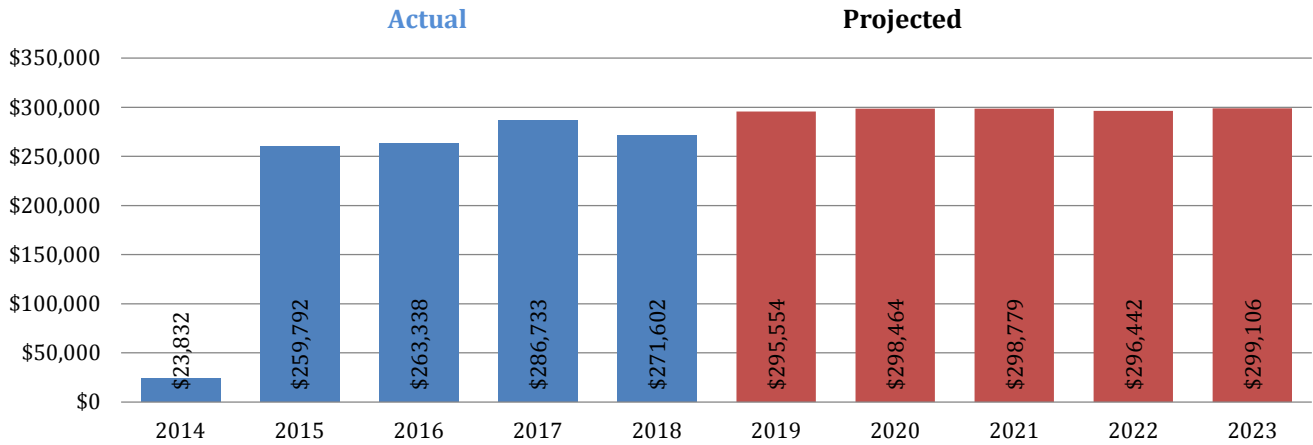
The State budget is determined in two year cycles. The current cycle is July 1, 2017 through June 30, 2019. Regardless of how much money the state funding formula calculates a district should receive, the funding formula places a limit on how much of an increase a district can receive in state funding in one year.

The funding formula for this biennium also sets the maximum increase a district can receive in one year at 103% of the state funding received in the previous year. The district has also included this same funding cap in state funding revenue projections for FY20 - FY23. The current funding formula is used to calculate FY20-FY23 funding levels, due to the fact that the funding formulas for these years have not been developed by the legislature yet. Using these factors in the state revenue calculations and modeling recent increases in enrollment and changes in property values, the district is projecting that it will meet the funding cap threshold in two of the next five years. A per pupil funding level of \$6,020 was set in law for FY19. For future fiscal years, the funding level has been projected at \$6,100 in FY20, followed by an increase of \$50 per pupil in FY21 to FY23. The district will need to closely monitor fluctuations in enrollment to determine what effect they may have on these revenue calculations as the school year progresses.

Unrestricted grants-in-aid also includes revenue generated from casino funding, special education transportation and special education preschool funding. These revenue sources are expected to remain relatively consistent throughout the forecast period.

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	271,602	295,554	298,464	298,779	296,442	299,106
YOY \$ Change	(15,131)	23,952	2,910	315	(2,337)	2,664
YOY % Change	-5.3%	8.8%	1.0%	0.1%	-0.8%	0.9%
Percentage of Total Revenue	1.4%	1.6%	1.6%	1.6%	1.5%	1.5%
Economic Disadvantaged Funding	252,138	248,698	252,066	252,380	250,044	252,707
Percentage of Disadvantaged Students	51.9%	51.7%	51.9%	51.9%	51.9%	51.9%

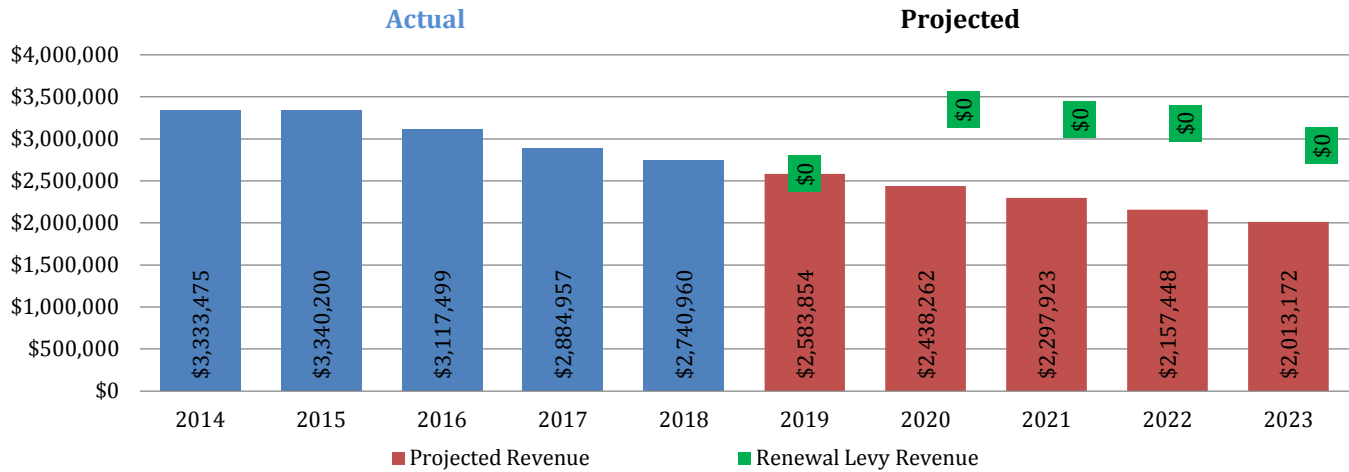
The Ohio Department of Education requires that the district classify a portion of the per pupil formula funding received as restricted. This is funding for economic disadvantaged and career technical programs, and catastrophic special education cost reimbursement (costs to educate special education students that are above a threshold based on the disability).

Economic Disadvantaged funding is projected to be fairly consistent for the rest of the forecast period.

Career Tech funding is projected to remain consistent with the 2018 levels (\$16,400) for the forecast period and catastrophic special education costs reimbursements are expected to remain at the FY18 level of \$30,000 annually.

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	2,740,960	2,583,854	2,438,262	2,297,923	2,157,448	2,013,172
YOY \$ Change	(143,997)	(157,106)	(145,592)	(140,339)	(140,475)	(144,276)
YOY % Change	-5.0%	-5.7%	-5.6%	-5.8%	-6.1%	-6.7%
Percentage of Total Revenue	14.2%	13.6%	12.8%	12.0%	11.2%	10.4%
% of Residential Real Estate 10% Rollback	9.98%	9.98%	9.98%	9.98%	9.98%	9.98%
% of Residential Real Estate 2.5% Rollback	1.57%	1.57%	1.57%	1.57%	1.57%	1.57%
% of Residential Real Estate Homestead	5.44%	5.44%	5.44%	5.44%	5.44%	5.44%

Property tax allocation (PTA) represents 14.2% of the district's overall general fund revenue and is comprised of three types of revenue - homestead and rollback reimbursements and the remaining tangible personal property tax reimbursements.

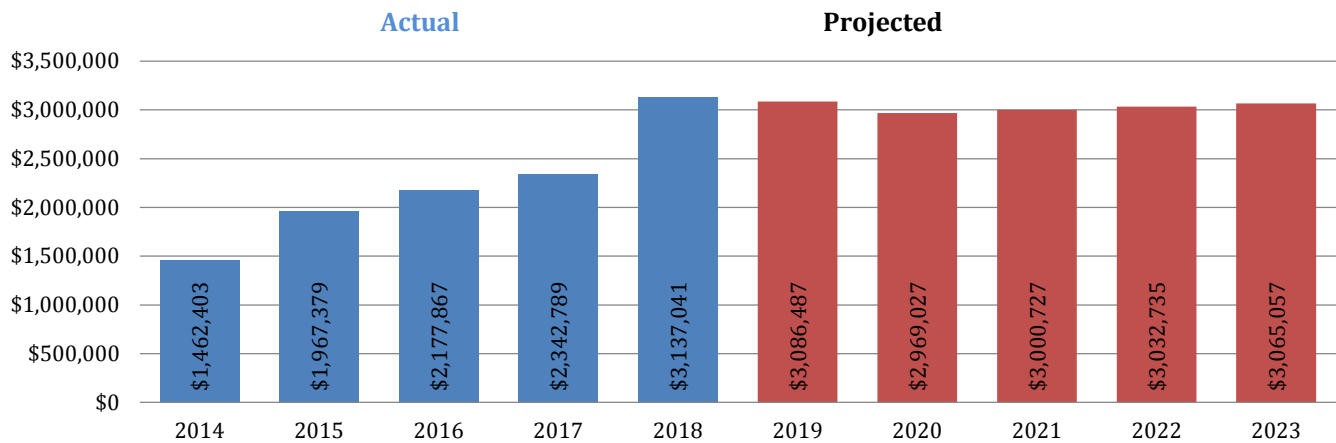
Homestead and rollback reimbursements are state reimbursements for local real estate tax credits (deductions). Local residential real estate taxes are reduced by rollback (12.5% for owner-occupied houses) and also for homestead (disabled, senior citizens, etc.). This revenue reimbursement is about \$634,212 of the PTA total for the current fiscal year.

The reimbursements from the elimination of tangible personal property taxes are included in this line item. Under current law, the amount of tangible personal property taxes that the district will receive is reduced each year. In FY18, this reimbursement totaled \$2,095,769 and will be reduced by \$146,127 (5/8 of one mill) annually until it is completely phased out. At the current reduction rate, the funds will be completely gone after 14 years.

**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	3,137,041	3,086,487	2,969,027	3,000,727	3,032,735	3,065,057
YOY \$ Change	794,252	(50,554)	(117,460)	31,700	32,008	32,322
YOY % Change	33.9%	-1.6%	-3.8%	1.1%	1.1%	1.1%
Percentage of Total Revenue	16.2%	16.3%	15.6%	15.7%	15.7%	15.8%

For FY18, Other Operating Revenue represented 16.2% of the district's overall general fund revenue.

The majority (86% in FY18) of the district's other operating revenue is generated from tuition related revenue. For the current fiscal year, the district's largest tuition revenue source, open enrollment, is projected to decrease by 2.6%, based on the preliminary EMIS data.

During FY18, the district experienced a significant increase in tuition revenue for court placed/foster placed (SF14 and SF14H Tuition) students, increasing from \$321,000 (FY17) to \$790,000 (FY18). A portion of this increase was only temporary, due to the timing of when the O.D.E. made prior year tuition payments. For FY19 these tuition levels are expected to generate \$607,000 and grow about 2% annually thereafter.

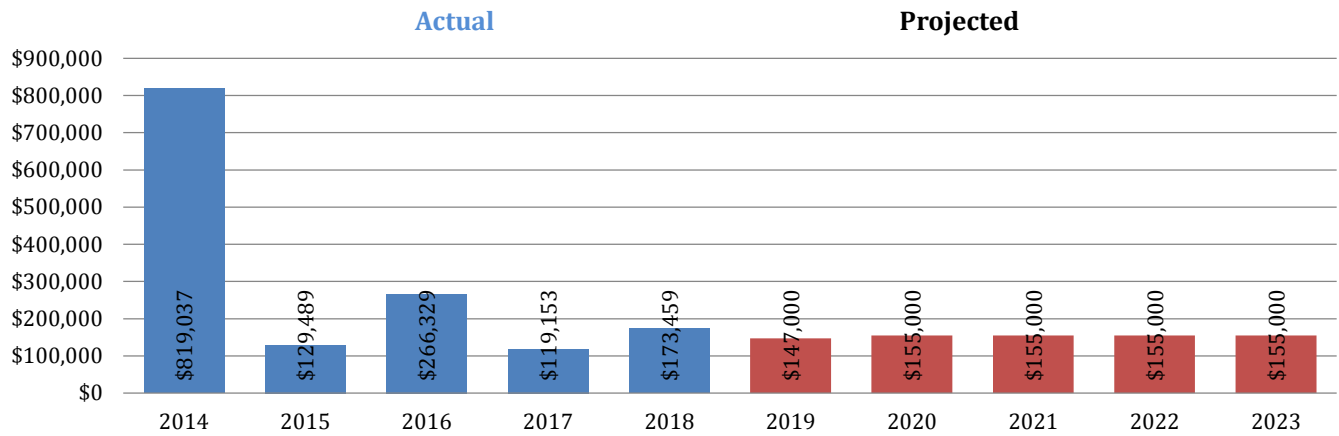
During FY17, the district received a large reimbursement for prior year federal Medicaid claims totaling \$116,000, in addition to, \$60,000 in current year claims. For FY18, this revenue source increased by an additional \$27,000. For FY19, the district received a large settlement of \$178,632 from the FY16 settlement. An additional \$60,000 has been estimated in current year claims. For subsequent fiscal years, only \$80,000 in federal Medicaid revenue collections is expected.

Due to an increasing cash balance in the general fund and increasing interest rates, the district's interest income has gone from \$26,000 in FY16 to \$118,600 in FY18. Based on revenue generated from investments for the first three months of the fiscal year, interest income for FY19 is expected to grow to \$147,000 by the end of the fiscal year.

Other revenue also includes all fee based revenue (extracurricular, classroom, rental, and miscellaneous other), and manufactured home taxes, which are all expected to remain stable for FY19 and future fiscal years.

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	173,459	147,000	155,000	155,000	155,000	155,000
YOY \$ Change	54,306	(26,459)	8,000	-	-	-
YOY % Change	45.6%	-15.3%	5.4%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%
Transfers In	-	-	-	-	-	-
Advances In	161,500	97,000	150,000	150,000	150,000	150,000

Other sources include refunds, the repayment of advances and transfers, as well as refunds of prior year expenses.

Refunds are typically from E-rate reimbursements and Workers Compensation reimbursements.

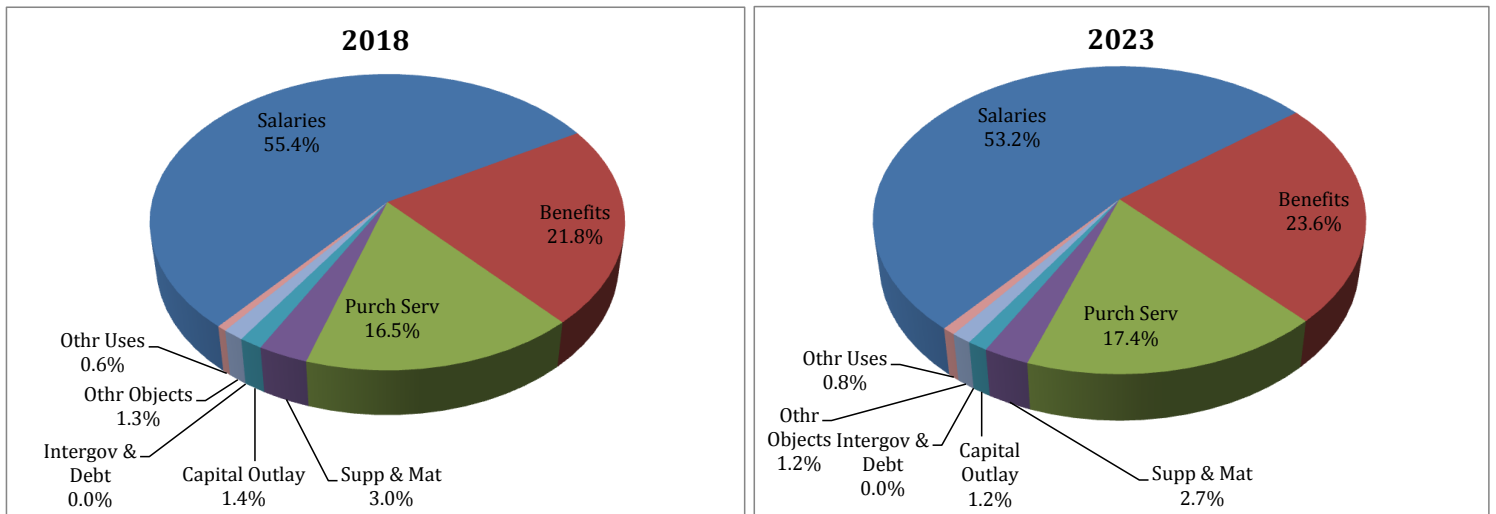
In FY16, the District received a \$107,000 refund for the Medicaid “true up” for FY12. In addition, \$51,000 was received for a repayment of an advance to a non-general fund account.

For FY17, a return of a non-general fund advance was received in the amount of \$112,000. Minimal refunds are expected in future fiscal years.

In FY18, \$161,500 was receipted to this revenue line from a return of a prior year advance. In addition, \$11,959 was receipted for refunds of prior year expenses. For FY19, \$97,000 will be receipted for returns of advances and \$50,000 in refunds are expected to be receipted.

For subsequent fiscal years, the district is anticipating the majority of this revenue to come from returns of advances, which are expected to total \$150,000 annually.

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	0.82%	4.25%	1.79%	2.18%	2.18%	2.18%	2.51%
3.020-Benefits	-0.03%	2.82%	4.37%	5.90%	5.96%	6.03%	5.02%
3.030-Purchased Services	-2.81%	12.21%	2.74%	2.53%	2.53%	2.50%	4.50%
3.040-Supplies & Materials	-1.86%	1.36%	-2.34%	1.94%	1.94%	1.59%	0.90%
3.050-Capital Outlay	31.36%	-1.58%	0.00%	0.00%	0.00%	0.00%	-0.32%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.300-Other Objects	3.42%	2.76%	1.82%	1.83%	1.84%	1.10%	1.87%
4.500-Total Expenditures	-0.10%	5.07%	2.37%	3.01%	3.05%	3.07%	3.31%
5.040-Total Other Uses	6.25%	54.64%	0.00%	0.00%	0.00%	0.00%	10.93%
5.050-Total w/Other Uses	-0.90%	5.36%	2.35%	2.99%	3.03%	3.04%	3.35%

Over the past five years, total operating expenditures decreased by 0.10% on average annually. This reduction in overall expenditures is attributable to the district reducing the three main expenditure categories (salaries, benefits and purchased services) by \$772,000 from FY15 to FY17.

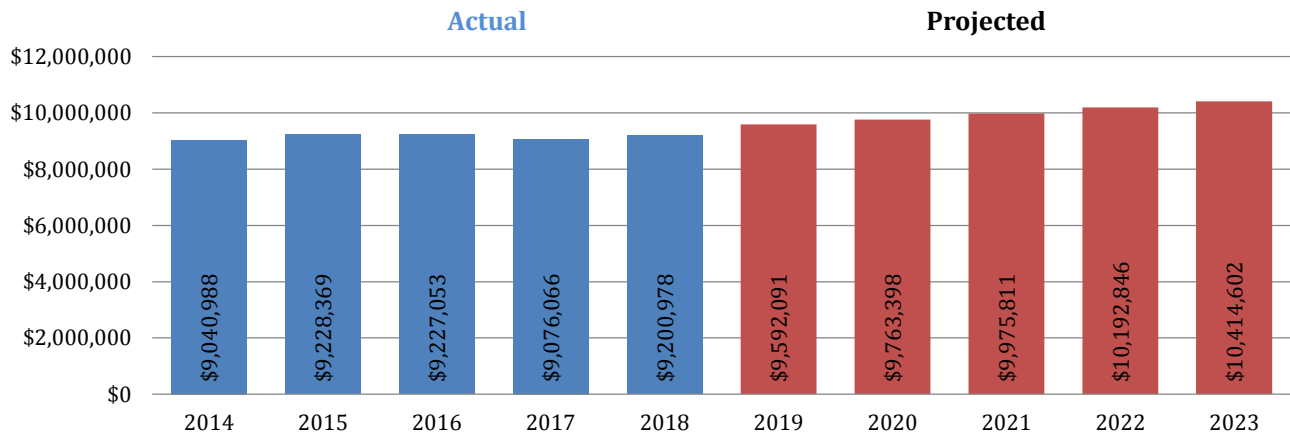
Over the next 5 years, the overall operating expenditures are projected to increase by an average annual rate of 3.20%. The primary factors affecting this increase in annual expenses are salaries, benefits and purchased service expenses.

Salary expenses are anticipated to increase by an annual average of 2.58% over the next five years due to changes in base salaries and longevity steps. Benefits are projected to increase by an average annual rate of 6.12% over the next five years due to the increasing costs of medical premiums. While purchased service expenses will rise due to projected increases in tuition, instructional services and other professional/technical services.

The following assumptions detail these increases for each expenditure line of the forecast.

3.010 - Personnel Services

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	9,200,978	9,592,091	9,763,398	9,975,811	10,192,846	10,414,602
YOY \$ Change	124,912	391,113	171,307	212,413	217,035	221,756
YOY % Change	1.4%	4.3%	1.8%	2.2%	2.2%	2.2%
Percentage of Total Budget	55.4%	54.9%	54.6%	54.1%	53.7%	53.2%

Salaries are the district's largest expense, totaling 55.4% of the overall budget in FY18.

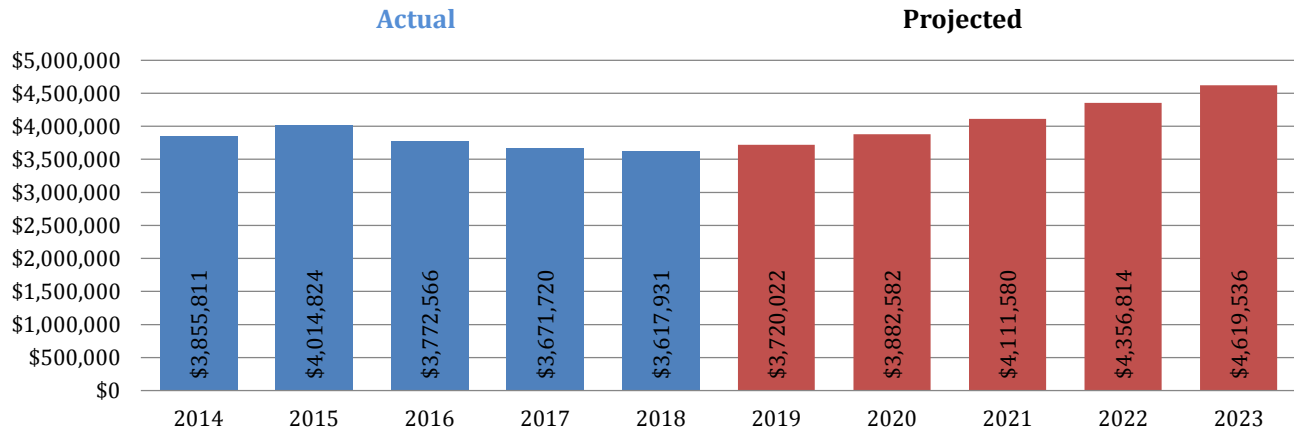
Salaries for 2015 - 2017 were negotiated with an annual 0.5% increase for 2015 and 2016, and a 1.25% base increase in 2017 for certificated staff. Non-teaching staff increased 1% for 2015, 1.5% for 2016, and 1.5% for 2017. The certified and classified associations have renewed their contract through FY2020 with a 1% annual base increase.

During 2018, the district replaced several contracted services by bringing the staff in house and paying them as employees. In addition, a number of certified and administrative positions were vacated at the end of FY17 and replaced with employees that were lower on the salary schedule, producing additional savings.

Salary related expenses are expected to continue to increase through the next five years due to the negotiated base salary increases noted above, longevity steps, the addition of a new administrative position and a nursing position in FY19.

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	3,617,931	3,720,022	3,882,582	4,111,580	4,356,814	4,619,536
YOY \$ Change	(53,789)	102,091	162,560	228,998	245,234	262,722
YOY % Change	-1.5%	2.8%	4.4%	5.9%	6.0%	6.0%
Percentage of Total Budget	21.8%	21.3%	21.7%	22.3%	22.9%	23.6%

Employee benefits were the district's second largest expenditure category in FY18, representing 21.8% of the operating budget. This category includes the district's share of employees' retirement, workers compensation expenses, Medicare taxes, unemployment, health, dental, and life insurance.

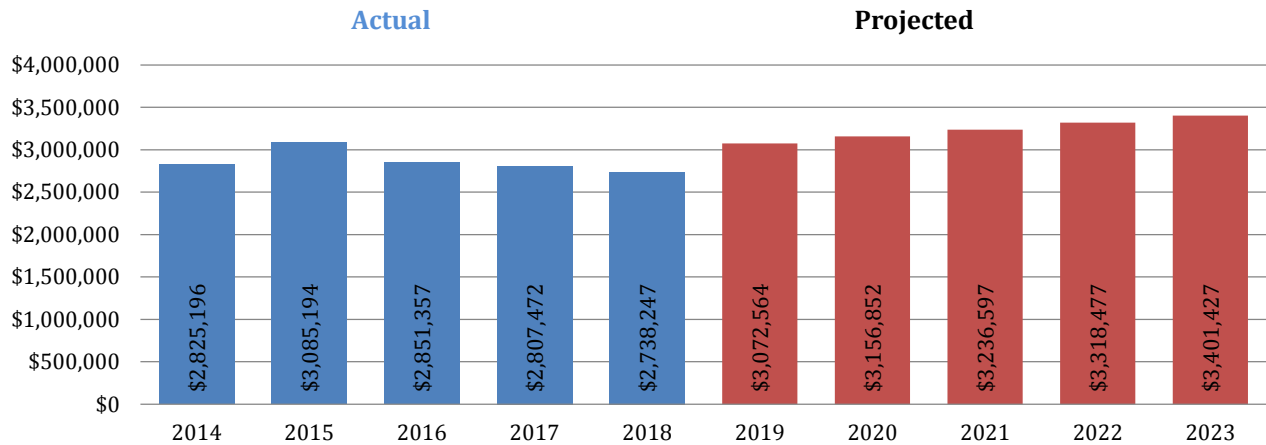
Salary driven benefits are projected to align with the historical ratios as a percent of overall salaries (16.85%) for future fiscal years.

The district's health insurance premiums have not changed since FY16 to the current year; however, the prior negotiated agreement increased the employee paid portion of health insurance premiums by 1% for certificated employees and 0.5% for classified employees in FY16. During FY17 health insurance expenses declined due to the change in participant enrollment in the medical plans and FY18 health insurance costs were consistent with the amount expended in FY17.

Current year medical expense projections are based on enrollment levels in the plans as of August and future year projections include an 8% increase in the Board portion of health care premiums.

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	2,738,247	3,072,564	3,156,852	3,236,597	3,318,477	3,401,427
YOY \$ Change	(69,225)	334,317	84,288	79,745	81,880	82,950
YOY % Change	-2.5%	12.2%	2.7%	2.5%	2.5%	2.5%
Percentage of Total Budget	16.5%	17.6%	17.6%	17.6%	17.5%	17.4%

Purchased service expenses, such as costs for contracted transportation, utilities, tuition paid to other districts, etc. represents about 16.5% of the district's budget.

Due to the timing of when the O.D.E. charged the district for the FY17 SF14 and SF14H tuition related expenses, there was a one-time increase of \$50,000 to the purchased service expense line in FY18. For the current and subsequent fiscal years, SF14 and SF14H tuition costs are expected to return to normal levels with only one year of fiscal expenses being charged within the fiscal year.

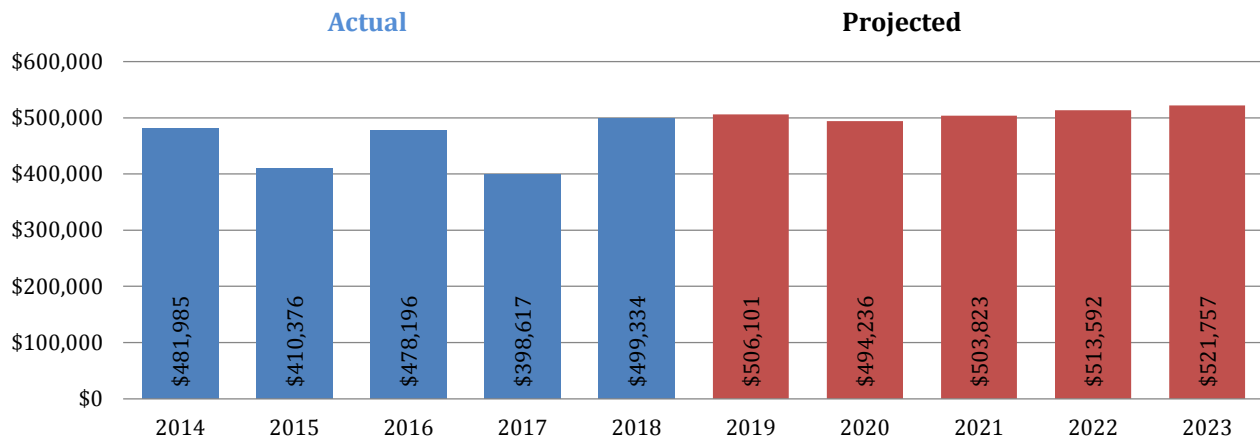
As a result of a major electronic school closing in the State and some of the students that attended that school returning to the district, charter school expenses declined by approximately \$136,000 in Charter School expenses. For the current fiscal year, charter school expenses are expected to increase by 10% while open enrollment expenses are expected to decrease by 14% or \$65,000, based on current EMIS data.

Repair/maintenance costs over the past four years have decreased, going from a high of \$262,425 in FY15 to \$133,653 in FY18. For FY19, these expenses are expected to total \$192,000.

Contracted instructional service expense are expected to increase \$290,000 from FY18 to FY19. This increase is due to the district providing educational services to students that were serviced at the County MRDD in previous fiscal years, as well as, paying for additional services that were provided by salaried employees in previous fiscal years.

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	499,334	506,101	494,236	503,823	513,592	521,757
YOY \$ Change	100,717	6,767	(11,865)	9,587	9,769	8,165
YOY % Change	25.3%	1.4%	-2.3%	1.9%	1.9%	1.6%
Percentage of Total Budget	3.0%	2.9%	2.8%	2.7%	2.7%	2.7%

Supply and material related expenses were 3% of overall expenses in FY18. These expenses include instructional supplies, textbooks, bus fuel, and maintenance and custodial supplies.

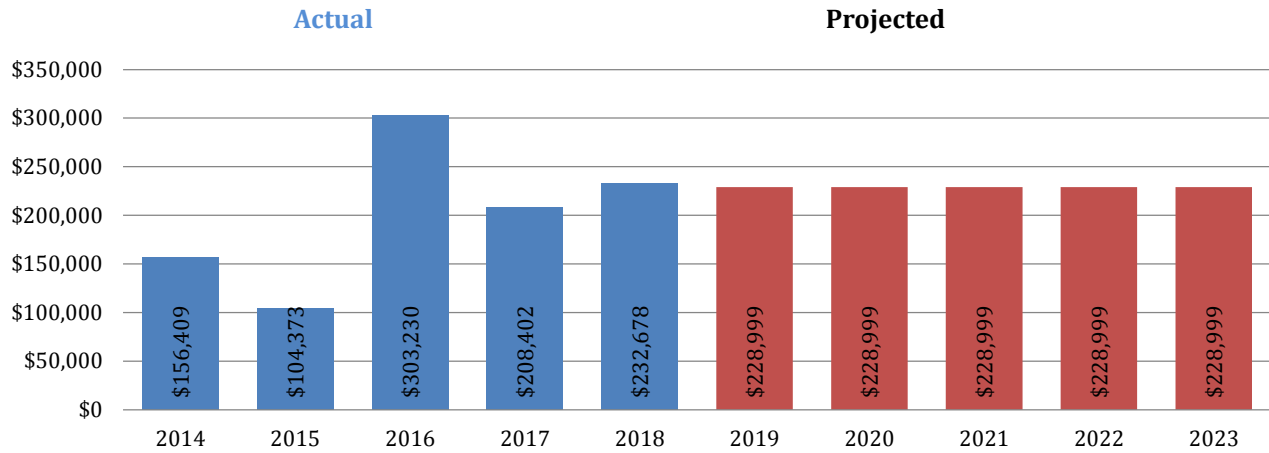
Instructional supplies, which represent 22.6% of overall supply and material costs totaled \$113,262 in FY18. These expenses are projected to increase to \$122,000 in FY19, with 1% inflationary growth thereafter.

During FY18, textbook purchases totaled \$90,028 and are expected to decrease to an annual budget level of \$50,000 due to the purchase of Boardworks digital resources for FY19 - FY23 with small adjustments made annually for inflation.

Transportation supply costs, including bus fuel, is the largest category of supply/material expenditures at 36.5%. Due to the rising cost of fuel and additional repairs being needed to maintain the bus fleet, these expenditures increased 20.9% or \$32,000 in FY18. An additional increase of 4.9% is expected in FY19 with 2% inflationary growth projected annually in each subsequent year.

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	232,678	228,999	228,999	228,999	228,999	228,999
YOY \$ Change	24,276	(3,679)	-	-	-	-
YOY % Change	11.6%	-1.6%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Budget	1.4%	1.3%	1.3%	1.2%	1.2%	1.2%

Capital outlay was 1.4% of the district's budget in FY18.

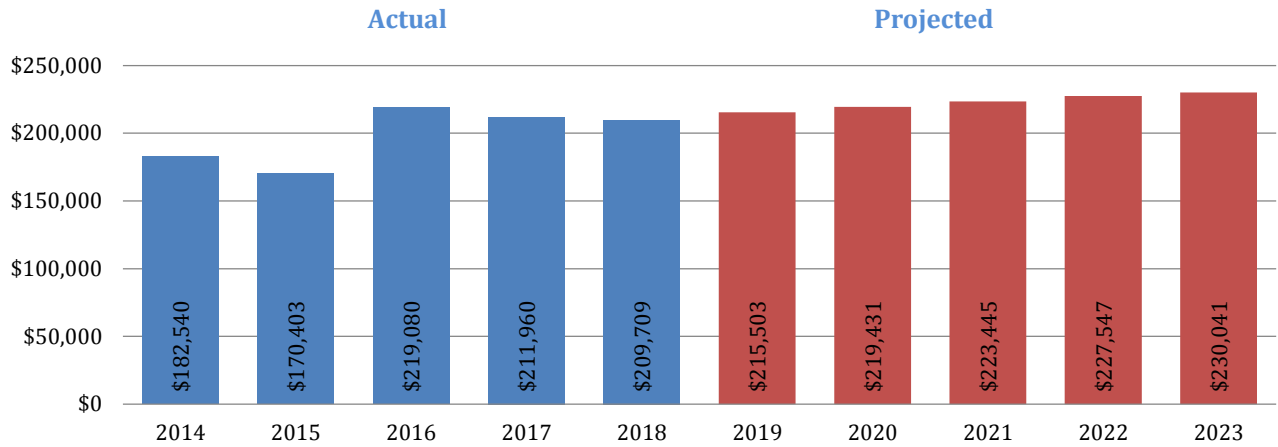
Due to the decline of the permanent improvement funds (including the complete loss of tangible personal property reimbursements to this fund), the District has budgeted \$104,000 annually for equipment replacement and other permanent improvement needs.

In addition, \$20,000 has been budgeted for Chromebook purchases, \$50,000 for district technology and \$30,000 for E-Rate equipment upgrades for the forecast period.

Bus purchases, which were previously paid out of the permanent improvement fund, started to be paid out of the general fund beginning in FY17. The district anticipates that it will continue to expend \$85,000 for bus replacement purchases.

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.



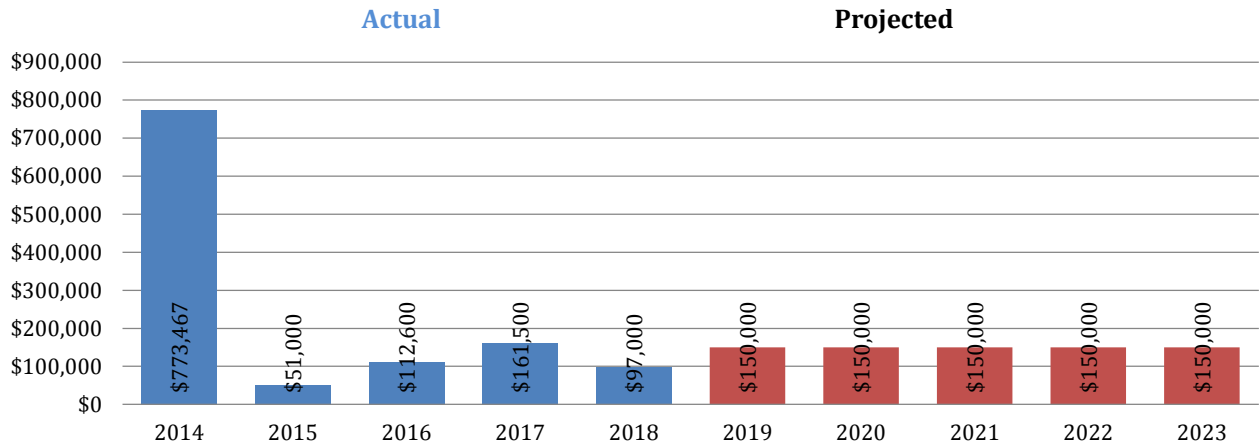
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	209,709	215,503	219,431	223,445	227,547	230,041
YOY \$ Change	(2,251)	5,794	3,928	4,014	4,102	2,494
YOY % Change	-1.1%	2.8%	1.8%	1.8%	1.8%	1.1%
Percentage of Total Budget	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%

Other object expenditures include services purchased through the County Educational Service Center, County Auditor and Treasurer fees, bank charges, and dues/fees.

County Auditor and Treasurer fees represent the largest component of this expenditure line item at 54.5%, and totaled \$115,405 in FY18. This 2018 level serves as the basis for FY19 and beyond with 2% annual growth.

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	97,000	150,000	150,000	150,000	150,000	150,000
YOY \$ Change	(64,500)	53,000	-	-	-	-
YOY % Change	-39.9%	54.6%	0.0%	0.0%	0.0%	0.0%

Percentage of Total Budget	0.6%	0.9%	0.8%	0.8%	0.8%	0.8%
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Transfers Out	-	-	-	-	-	-
Advances Out	97,000	150,000	150,000	150,000	150,000	150,000

Other uses includes items such as transfers and advances to other funds. FY17 included a temporary advance of \$165,000 to the other funds and FY18 included a temporary advance of \$97,000. For FY19 through FY23, advances are modeled at \$150,000 annually.

Buckeye Local Schools - Ashtabula County

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2018	2019	2020	2021	2022	2023
Revenue:						
1.010 - General Property Tax (Real Estate)	4,988,482	4,724,359	4,862,615	4,890,667	4,912,434	4,917,818
1.020 - Public Utility Personal Property	1,055,895	1,261,529	1,287,945	1,320,502	1,353,060	1,385,617
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	6,941,844	6,883,987	7,038,807	7,150,123	7,369,211	7,588,399
1.040 - Restricted Grants-in-Aid	271,602	295,554	298,464	298,779	296,442	299,106
1.050 - Property Tax Allocation	2,740,960	2,583,854	2,438,262	2,297,923	2,157,448	2,013,172
1.060 - All Other Operating Revenues	3,137,041	3,086,487	2,969,027	3,000,727	3,032,735	3,065,057
1.070 - Total Revenue	19,135,825	18,835,770	18,895,120	18,958,721	19,121,330	19,269,169
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	161,500	97,000	150,000	150,000	150,000	150,000
2.060 - All Other Financing Sources	11,959	50,000	5,000	5,000	5,000	5,000
2.070 - Total Other Financing Sources	173,459	147,000	155,000	155,000	155,000	155,000
2.080 - Total Rev & Other Sources	19,309,283	18,982,770	19,050,120	19,113,721	19,276,330	19,424,169
Expenditures:						
3.010 - Personnel Services	9,200,978	9,592,091	9,763,398	9,975,811	10,192,846	10,414,602
3.020 - Employee Benefits	3,617,931	3,720,022	3,882,582	4,111,580	4,356,814	4,619,536
3.030 - Purchased Services	2,738,247	3,072,564	3,156,852	3,236,597	3,318,477	3,401,427
3.040 - Supplies and Materials	499,334	506,101	494,236	503,823	513,592	521,757
3.050 - Capital Outlay	232,678	228,999	228,999	228,999	228,999	228,999
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	209,709	215,503	219,431	223,445	227,547	230,041
4.500 - Total Expenditures	16,498,877	17,335,280	17,745,498	18,280,255	18,838,275	19,416,362
Other Financing Uses						
5.010 - Operating Transfers-Out	-	-	-	-	-	-
5.020 - Advances-Out	97,000	150,000	150,000	150,000	150,000	150,000
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	97,000	150,000	150,000	150,000	150,000	150,000
5.050 - Total Exp and Other Financing Uses	16,595,877	17,485,280	17,895,498	18,430,255	18,988,275	19,566,362
6.010 - Excess of Rev Over/(Under) Exp	2,713,406	1,497,490	1,154,622	683,466	288,055	(142,193)
7.010 - Cash Balance July 1 (No Levies)	7,792,634	10,506,040	12,003,530	13,158,152	13,841,618	14,129,673
7.020 - Cash Balance June 30 (No Levies)	10,506,040	12,003,530	13,158,152	13,841,618	14,129,673	13,987,480
		Reservations				
8.010 - Estimated Encumbrances June 30	320,000	320,000	320,000	320,000	320,000	320,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	10,186,040	11,683,530	12,838,152	13,521,618	13,809,673	13,667,480
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	10,186,040	11,683,530	12,838,152	13,521,618	13,809,673	13,667,480
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	10,186,040	11,683,530	12,838,152	13,521,618	13,809,673	13,667,480