



TALAWANDA SCHOOL DISTRICT - - BUTLER COUNTY

Five Year Forecast Financial Report

May, 2019

Michael S. Davis, CFO

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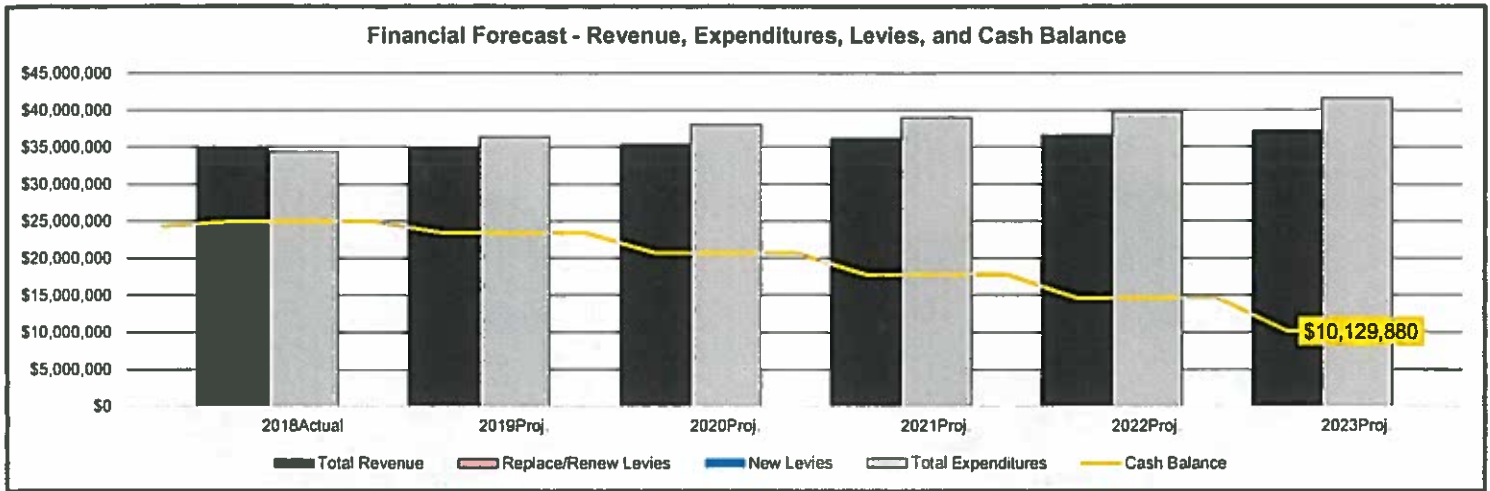
Forecast Purpose/Objectives

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



TALAWANDA SCHOOL DISTRICT - - BUTLER COUNTY

Financial Forecast

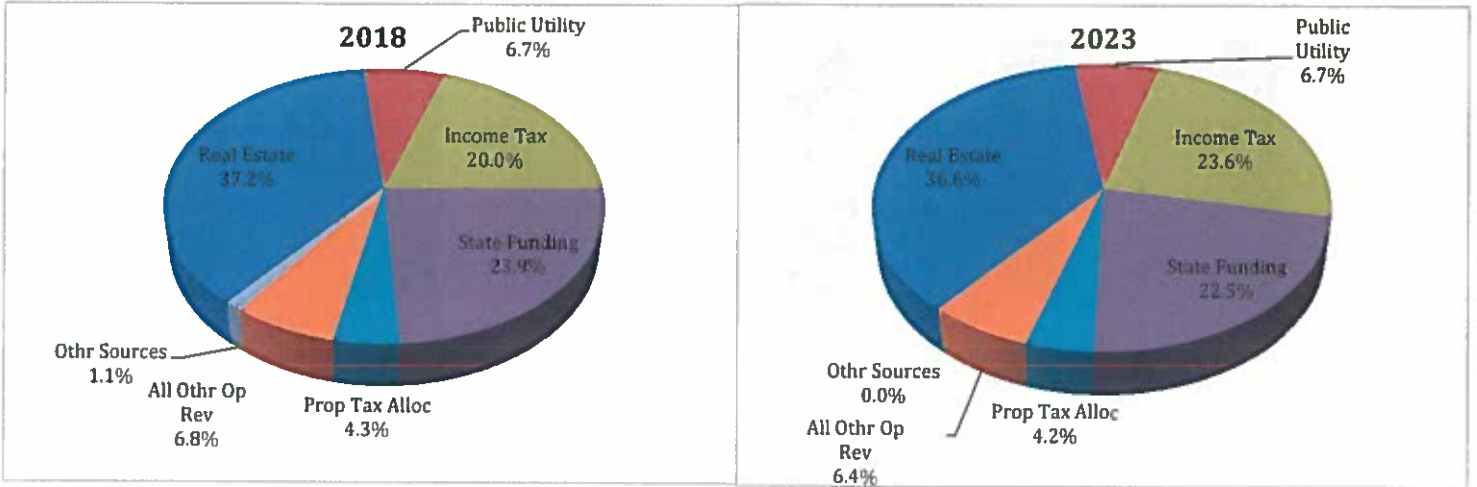
	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Beginning Balance	26,049,438	24,524,776	21,784,514	18,916,959	15,726,793
+ Revenue	34,870,078	35,332,277	36,163,898	36,612,642	37,137,337
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(36,394,740)	(38,072,539)	(39,031,453)	(39,802,808)	(41,619,294)
= Revenue Surplus or Deficit	(1,524,662)	(2,740,262)	(2,867,555)	(3,190,166)	(4,481,957)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	24,524,776	21,784,514	18,916,959	15,726,793	11,244,836

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	(1,524,662)	(2,740,262)	(2,867,555)	(3,190,166)	(4,481,957)
Ending Balance w/o Levies	24,524,776	21,784,514	18,916,959	15,726,793	11,244,836

See detailed Revenue and Expenditure Notes and Assumptions.

Revenue Sources and Forecast Year-Over-Year Projected Overview

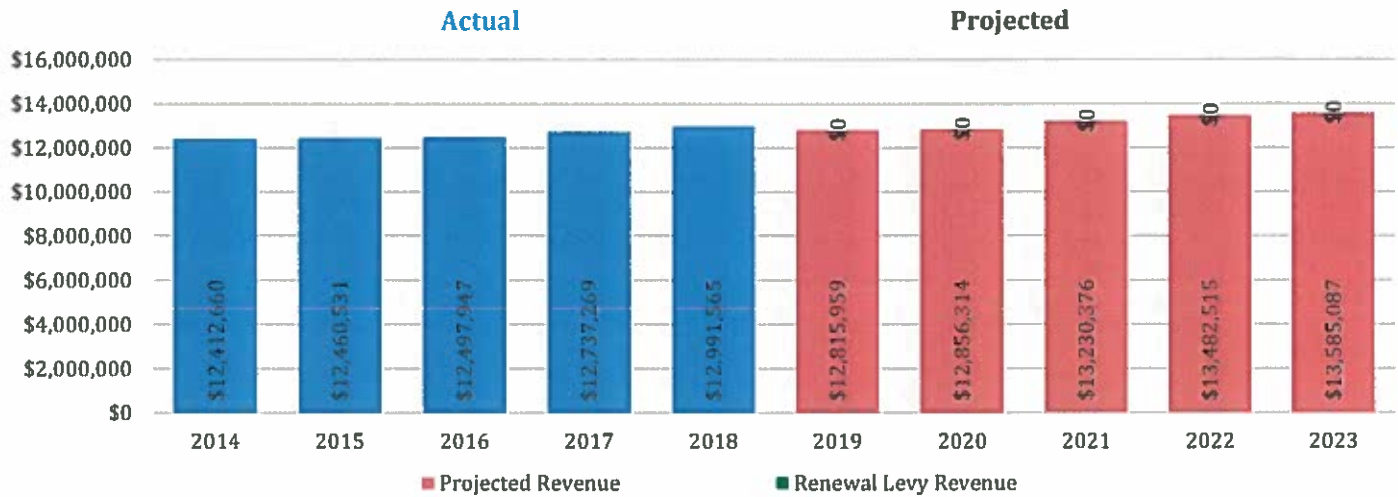


	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Revenue:							
1.010-Real Estate	1.47%	-1.35%	0.31%	2.91%	1.91%	0.76%	0.91%
1.020-Public Utility	-1.89%	5.62%	-0.29%	1.30%	-0.21%	-0.21%	1.24%
1.030-Income Tax	4.52%	3.61%	5.44%	4.61%	4.77%	4.94%	4.68%
1.035-State Funding	0.47%	-0.11%	2.25%	0.43%	-2.58%	0.02%	0.00%
1.040-Restricted Aid	24.06%	-6.42%	-0.22%	0.00%	0.00%	0.00%	-1.33%
1.045-Restr Federal SFSF	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-0.75%	-0.39%	0.39%	2.14%	2.09%	0.42%	0.93%
1.060-All Other Operating	9.67%	-0.98%	0.27%	0.27%	0.27%	0.27%	0.02%
1.070-Total Revenue	1.88%	0.46%	1.79%	2.35%	1.24%	1.43%	1.46%
2.070-Total Other Sources	37.93%	-59.34%	-100.00%	0.00%	0.00%	0.00%	-79.67%
2.080-Total w/Other Srcs	2.04%	-0.21%	1.33%	2.35%	1.24%	1.43%	1.23%

See detailed Revenue Notes and Assumptions.

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	12,991,565	12,815,959	12,856,314	13,230,376	13,482,515	13,585,087
YOY \$ Change	254,296	(175,606)	40,355	374,062	252,139	102,572
YOY % Change	2.0%	-1.4%	0.3%	2.9%	1.9%	0.8%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	37.2%	36.8%	36.4%	36.6%	36.8%	36.6%

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	689,921,170	35,163,290	20.07	(0.81)	23.37	(1.02)	97.6%
2018	693,820,860	3,899,690	20.08	0.01	23.46	0.10	102.8%
2019	699,153,930	5,333,070	20.08	-	23.46	-	99.7%
2020	728,373,278	29,219,348	20.00	(0.08)	23.04	(0.42)	99.6%
2021	733,706,348	5,333,070	20.00	-	23.04	-	99.5%
2022	739,039,418	5,333,070	20.00	-	23.04	-	99.5%

Property values are established each year by the Butler County Auditor based on new construction, changes in exempt property, Board of Revision/Board of Tax Appeals and triennial updates or complete reappraisals which occur every 6 years. Corresponding tax rates (called millage) are also determined by the County Auditor based on an annual Tax Budget which is submitted by the Board of Education. Such rate setting is governed by the 'tax equalization' language in HB 920.

The FY19 General Property Tax amount (\$12.8M) represents actual collections on Class I and Class II property for the fiscal year ending June 30, 2019.

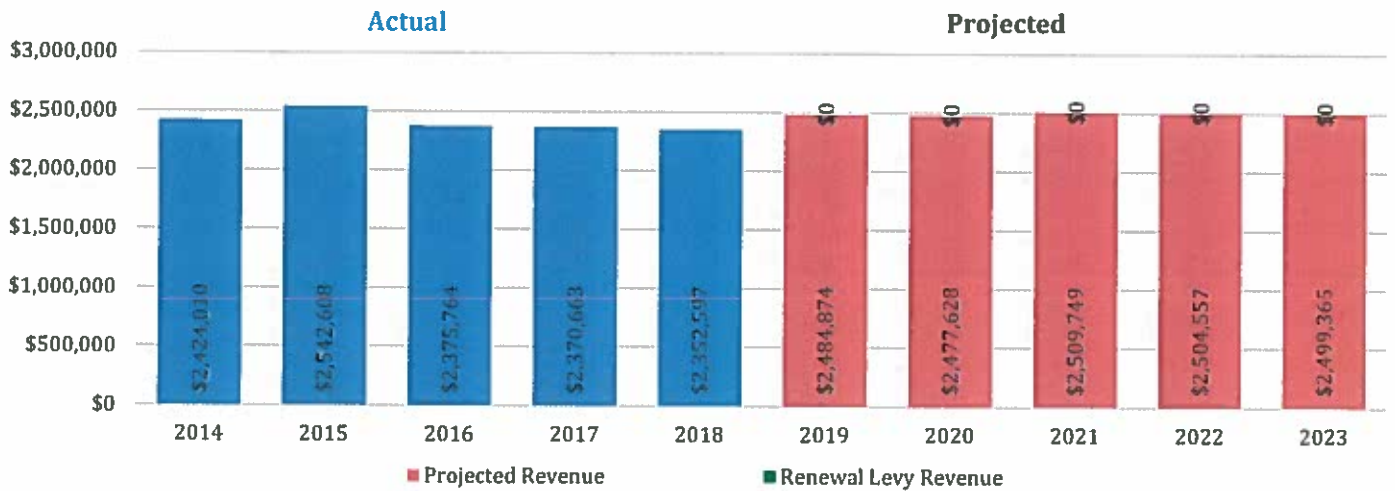
Future property tax revenue is based on projected changes in property values using historical trends which are shown in the table above. The TY20 reappraisal is expected to return the district to the 20 mill floor which explains the growth in General Property Tax revenues (mostly Class I) beginning in FY21. This too is shown in the table above.

General Property Taxes represent about 37% of the district's operating revenue.

*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		
				2021	2022	2023
Total With Renewal Levies	2,352,597	2,484,874	2,477,628	2,509,749	2,504,557	2,499,365
YOY \$ Change	(18,066)	132,277	(7,246)	32,121	(5,192)	(5,192)
YOY % Change	-0.8%	5.6%	-0.3%	1.3%	-0.2%	-0.2%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	6.7%	7.1%	7.0%	6.9%	6.8%	6.7%

Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2017	49,061,210	176,740	48.30	-	73.9%
2018	52,230,720	3,169,510	48.30	-	100.0%
2019	52,122,797	(107,923)	48.30	-	100.0%
2020	52,014,874	(107,923)	48.30	-	100.0%
2021	51,906,951	(107,923)	48.30	-	100.0%
2022	51,799,028	(107,923)	48.30	-	100.0%

Public Utility Personal Property (PUPP) values are established each year based on new construction, asset additions as well as triennial updates and complete reappraisals. PUPP values are also reduced by depreciation/amortization of the utilities taxable assets. PUPP assets are taxed at the district's fully voted millage and are not subject to the tax equalization in HB 920.

The FY17 PUPP amount (\$2.5M) represents actual collections on tangible personal property for the fiscal year ending June 30, 2019. The \$132K increase in FY19 revenue was due to the \$3.2M increase in PUPP values mostly to new/replacement power poles by Duke Energy in TY18. See the table above.

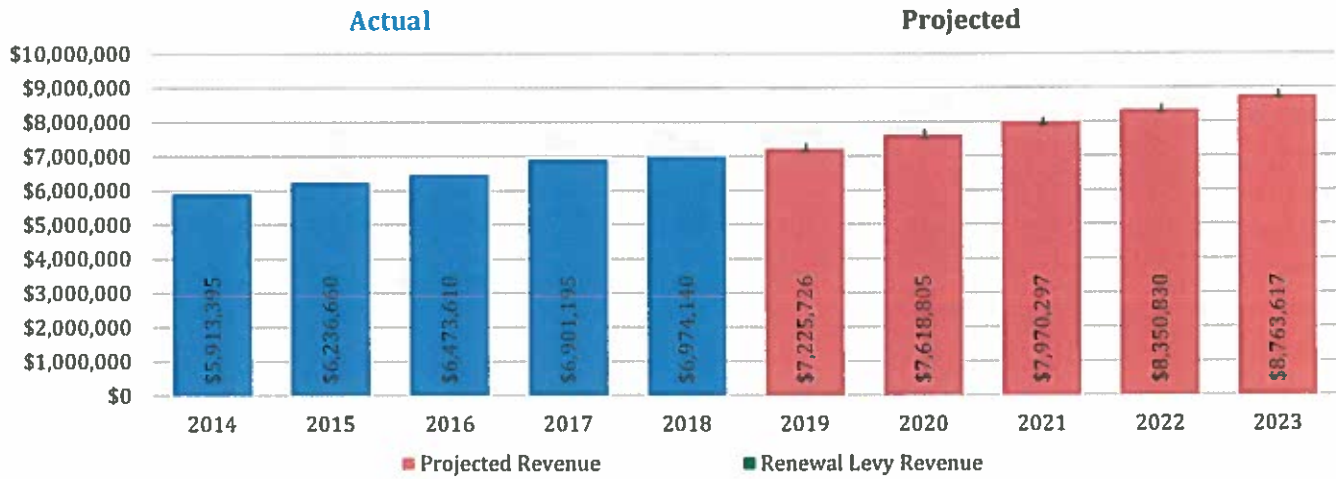
Future PUPP revenue is based on projected changes in assessed valuations using historical trends (mostly depreciation) which are shown in the table above.

PUPP Taxes represent about 7% of the districts operating revenue.

*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	6,974,140	7,225,726	7,618,805	7,970,297	8,350,830	8,763,617
YOY \$ Change	72,945	251,586	393,079	351,492	380,533	412,787
YOY % Change	1.1%	3.6%	5.4%	4.6%	4.8%	4.9%
Percentage of Total Revenue	20.0%	20.7%	21.6%	22.0%	22.8%	23.6%

The district passed a TRADITIONAL 1% School District Income Tax (SDIT) on November 2, 2004. This tax includes both earned and unearned income (e.g. pensions, investment income, etc.) for all residents in the district.

The FY19 SDIT amount (\$7.2M) represents actual collections for the fiscal year ending June 30, 2019.

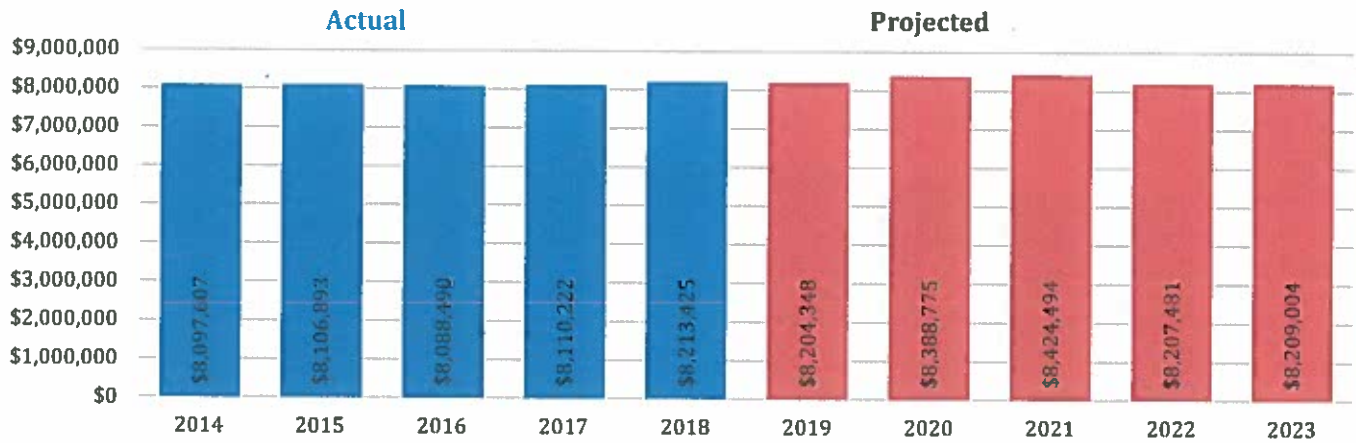
Future SDIT revenue is based on projected changes in income tax collection components (e.g. estimated payments, employer withholding, etc.) using historical trends which are based in the forecast model. The SDIT is a permanent tax.

SDIT represents 20.8% of Talawanda's annual operating revenue.

**Projected % trends include renewal levies*

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



	2018	2019	2020	2021	2022	2023
Total	8,213,425	8,204,348	8,388,775	8,424,494	8,207,481	8,209,004
YOY \$ Change	103,203	(9,077)	184,427	35,719	(217,013)	1,523
YOY % Change	1.3%	-0.1%	2.2%	0.4%	-2.6%	0.0%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	23.5%	23.5%	23.7%	23.3%	22.4%	22.1%

Core Funding Per Pupil	2018	2019	2020	2021	2022	2023
	6,010	6,020	6,030	6,030	6,030	6,030
State Share Index (SSI)	23.9%	23.9%	26.4%	26.4%	29.6%	29.6%
State Core Funding Per Pupil	1,437	1,439	1,594	1,594	1,787	1,787

Formula ADM (Funded Student Count)	2018	2019	2020	2021	2022	2023
	2,849	2,919	3,003	3,012	3,029	3,058

Funding Status	2018	2019	2020	2021	2022	2023
	Guarantee	Guarantee	Guarantee	Guarantee	Guarantee	Guarantee

The Ohio Legislature passed Sub HB 49 (under former Governor Kasich) which represented the biennial budget bill for K-12 public schools through the current FY19. Talawanda was virtually flat funded (versus FY15) through the hold harmless language of the budget bill which is known as a 'funding guarantee'. The guarantee is designed to protect the school districts whose state aid would otherwise be decreased based on the funding formula in ORC. These formula components include enrollment, property valuation per pupil, state share index, median income, pupil density and certain other factors.

The FY19 unrestricted state funding amount (\$8.2 million) is based on YTD April 2019 actual receipts plus projected revenue from ODE's Foundation Settlement Report for the balance of the fiscal year.

State funding for FY20 and FY is based on a substitute version of HB 166 which was passed by the House on May 9th. This version aligns with the new Governor's Executive budget which basically 'freezes' the current funding formula while creating Student Wellness and Success funds. The House version did increase the Wellness and Success funds and the bill is currently before the Senate for deliberation. The increases in state funding for FY20 and FY21 are based on the original simulations prepared by the LSC showing Governor DeWine's proposed increases for Wellness and Success for each district. Future funding is unknown and assumed flat to FY19.

The forecast shows that enrollment is relatively 'flat' and the district will continue to be on the guarantee through FY23 due to the lack of growth and/or changes are made to the current funding formula.

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	153,662	143,797	143,487	143,487	143,487	143,487
YOY \$ Change	(32,954)	(9,865)	(310)	-	-	-
YOY % Change	-17.7%	-6.4%	-0.2%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Economic Disadvantaged Funding	120,611	130,912	130,912	130,912	130,912	130,912
Percentage of Disadvantaged Students	32.7%	32.7%	32.6%	32.6%	32.6%	32.6%

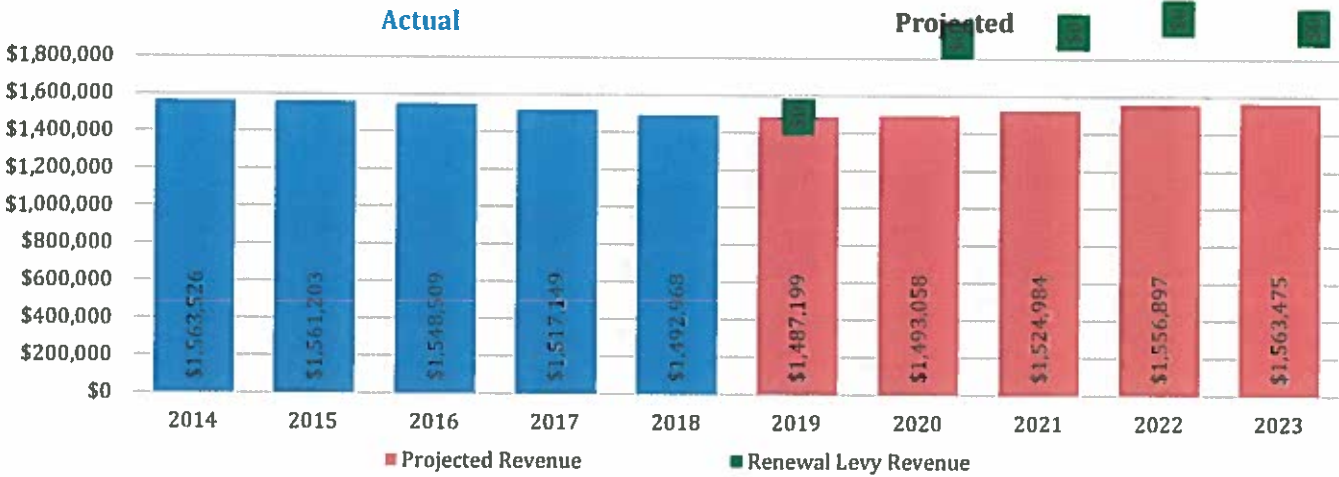
Restricted Grants-in-Aid represent state funding for the district's Economic Disadvantaged students and Career Tech. Such amounts for FY19 are derived from the current funding formula Sub HB 49 and the monies are restricted for use on only these students/programs.

See Unrestricted Grant-in Aid for funding assumptions in FY20 and beyond.

Restricted Grants-in-Aid represent .4% of the district's operating revenue.

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	1,492,968	1,487,199	1,493,058	1,524,984	1,556,897	1,563,475
YOY \$ Change	(24,181)	(5,769)	5,859	31,926	31,913	6,578
YOY % Change	-1.6%	-0.4%	0.4%	2.1%	2.1%	0.4%
Percentage of Total Revenue	4.3%	4.3%	4.2%	4.2%	4.3%	4.2%
% of Residential Real Estate 10% Rollback	9.62%	9.62%	9.62%	9.62%	9.62%	9.62%
% of Residential Real Estate 2.5% Rollback	1.58%	1.58%	1.58%	1.58%	1.58%	1.58%
% of Residential Real Estate Homestead	2.34%	2.34%	2.34%	2.34%	2.34%	2.34%

Property Tax Allocation represents direct state reimbursements to the district for certain tax credits given to RESIDENTIAL property owners. These credits include the 10% Rollback, 2.5% Residential Rollback, and Homestead which are reflected on both the 1st and 2nd Half residential real estate tax bills. The state reimbursements are 'hold harmless' payments to school districts while granting tax relief for property owners.

The FY19 amount (\$1.5M) is based on YTD actual receipts plus the projected reimbursement shown on the County Auditor's real estate tax settlement sheet for 1st Half 2018 collections. These monies are historically received in May and are usually collected at 100%.

Future Property Tax Allocation revenues are based on the same forecast model used to project real estate taxes for the district. See table above.

Property Tax Allocation reimbursements represents 4.3% of the district's annual operating revenue for FY19.

*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	2,371,239	2,347,972	2,354,210	2,360,511	2,366,875	2,373,302
YOY \$ Change	161,399	(23,267)	6,238	6,301	6,364	6,427
YOY % Change	7.3%	-1.0%	0.3%	0.3%	0.3%	0.3%
Percentage of Total Revenue	6.8%	6.7%	6.7%	6.5%	6.5%	6.4%

All Other Operating Revenue now mostly represents monies received for Open Enrollment, court placed students (attending Talawanda) and Interest on Investments. Previously this Note included revenue from All-Day KDG and pay-to-participate fees but the BOE approved the elimination of such fees at the beginning of FY19.

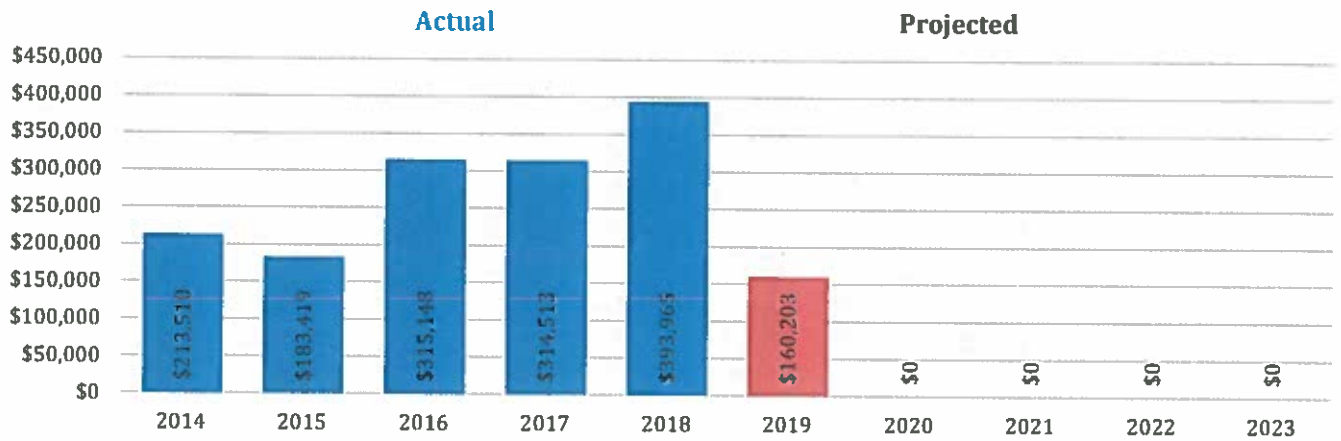
The FY19 amount (\$2.3M) is based on April YTD actual receipts plus projected revenue (based on trend) for the remaining two months of the current fiscal year. The DECREASE versus LY is explained by the aforementioned loss of fees partially offset by Interest Income which is trending higher than plan.

Future revenue is assumed mostly flat to FY19 throughout the remaining forecast period.

All Other Operating Revenue increased to 6.5% of the district's annual operating funds.

2.070 - Total Other Financing Sources

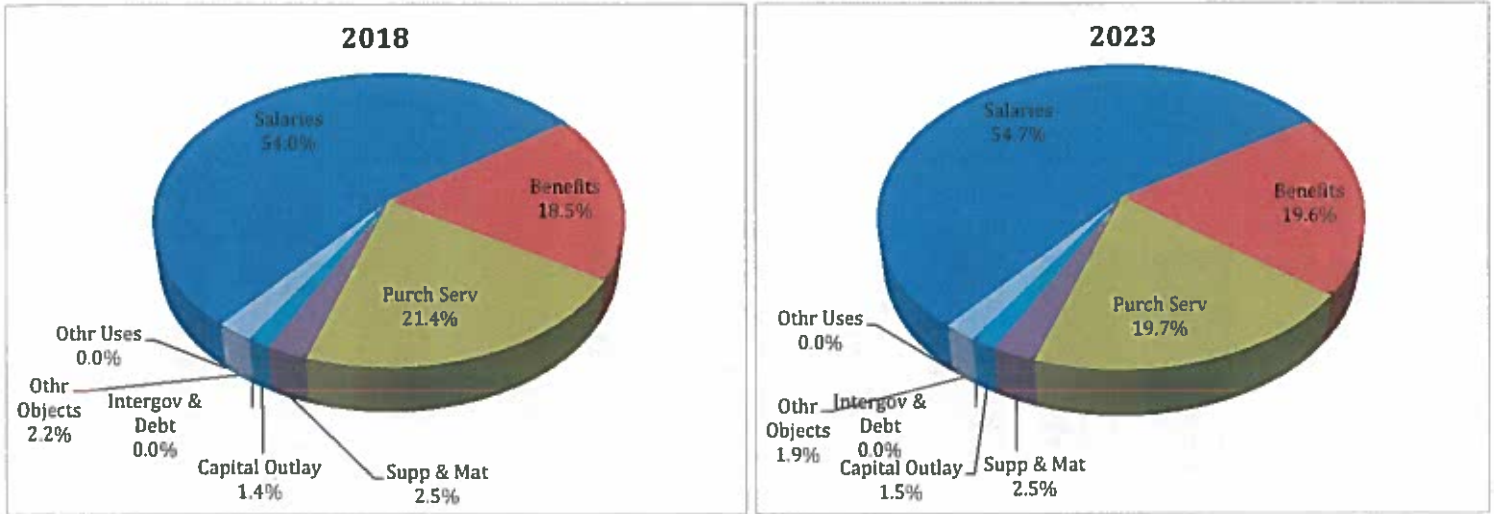
Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	393,965	160,203	-	-	-	-
YOY \$ Change	79,452	(233,762)	(160,203)	-	-	-
YOY % Change	25.3%	-59.3%	-100.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	1.1%	0.5%	0.0%	0.0%	0.0%	0.0%
Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-

Other Financing Sources for FY19 (\$160K) is comprised of certain prior year refunds mostly from SERS, BWC, E-Rate and the Title I program. Such amounts are considered 'extraordinary items' and are not planned in future periods.

Expenditure Categories and Forecast Year-Over-Year Projected Overview

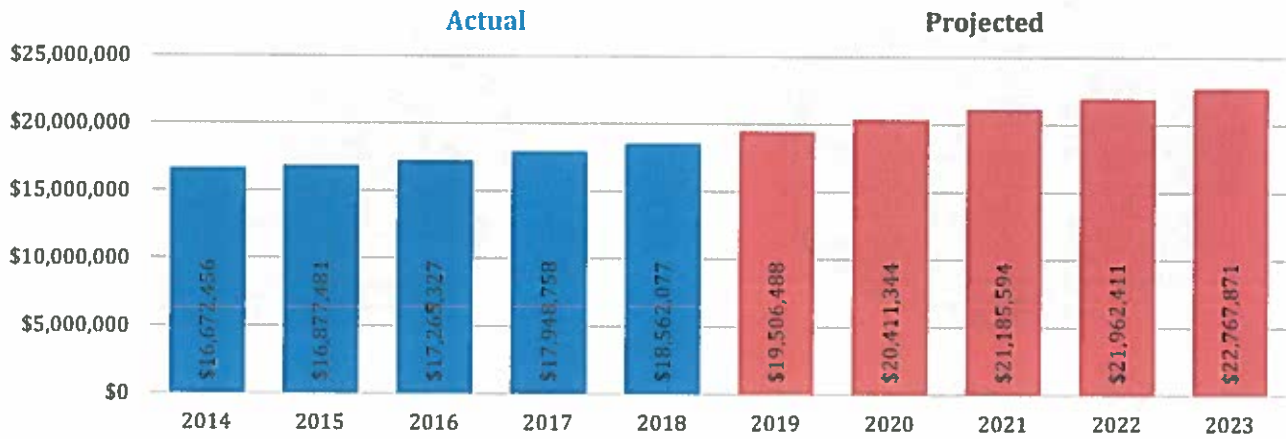


	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Expenditures:							
3.010-Salaries	2.15%	5.09%	4.64%	3.79%	3.67%	3.67%	4.17%
3.020-Benefits	1.52%	5.44%	4.10%	3.36%	6.26%	6.31%	5.09%
3.030-Purchased Services	4.21%	4.68%	1.70%	1.51%	1.52%	1.53%	2.19%
3.040-Supplies & Materials	1.96%	42.23%	-10.64%	14.66%	-14.41%	0.25%	6.42%
3.050-Capital Outlay	75.48%	-3.79%	106.04%	-34.07%	-63.37%	172.45%	35.45%
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	-1.28%	5.71%	0.13%	0.13%	0.20%	0.21%	1.28%
4.500-Total Expenditures	2.52%	5.87%	4.61%	2.52%	1.98%	4.56%	3.91%
5.040-Total Other Uses	-100.00%	n/a	n/a	n/a	n/a	n/a	n/a
5.050-Total w/Other Uses	2.51%	5.87%	4.61%	2.52%	1.98%	4.56%	3.91%

See detail Expenditure Notes and Assumptions.

3.010 - Personnel Services

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	18,562,077	19,506,488	20,411,344	21,185,594	21,962,411	22,767,871
YOY \$ Change	613,319	944,411	904,856	774,250	776,817	805,460
YOY % Change	3.4%	5.1%	4.6%	3.8%	3.7%	3.7%
Percentage of Total Budget	54.0%	53.6%	53.6%	54.3%	55.2%	54.7%

Employee salaries and wages are projected to be \$19.5M for FY19. This amount is based on actual YTD April expenditures plus the projected expense (based on trend) for the remaining two months of the current fiscal year. All employee groups received a 2.0% COLA in FY19 plus steps where applicable.

Future payroll expense for Classified employees assumes step increases and a 2.75% COLA in FY20 followed by steps and a 2.0% COLA in FY21. This is based on a tentative 2 year CBA which is expected to be ratified by the membership and the BOE. COLA increase for FY22 and FY23 for this employee group are assumed to be 2.0%.

Future payroll expense for Certified employees is based on the exact same assumptions described above for Classified employees.

Administration payroll will follow the same assumptions as all the other employee groups.

For comparative purposes, the April 2019 CPI index for Core Items is 2.0% which is in line with the aforementioned COLA adjustments. Salaries and wages represent 53.7% of the district's operating budget for 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	6,350,516	6,696,049	6,970,647	7,204,609	7,655,464	8,138,515
YOY \$ Change	35,412	345,533	274,598	233,962	450,855	483,051
YOY % Change	0.6%	5.4%	4.1%	3.4%	6.3%	6.3%

Percentage of Total Budget	18.5%	18.4%	18.3%	18.5%	19.2%	19.6%
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Employees' Benefits are expected to be \$6.7M for FY19. This amount is based on actual YTD April expenditures plus projected expense (based on trend) for the remaining two months of the current fiscal year.

This expense category includes BOE paid medical/dental premiums as well as BOE contributions to STRS and SERS for employee retirement. The STRS and SERS contribution rates are 14% as per statute.

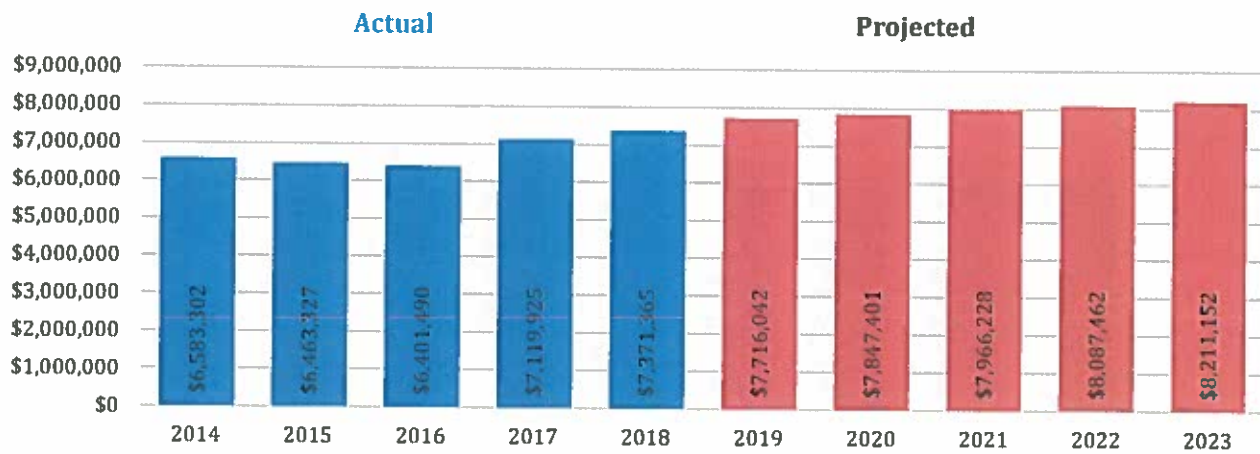
The district has aggressively pursued strategies to control medical/dental costs which resulted in a 5% reduction in 2015 followed by NO increase in premiums for 2016 and 2017. This is favorable versus the national trend.

Medical/dental premiums for calendar year 2019 were flat to the PY but are planned to increase 7.5% and 4%, respectively, next year based on early funding/loss ratio trends. Rates for 2021 and beyond are assumed to increase 9% annually for medical and 5% annually for dental which is still below industry trends which are in the 10- 12% range.

Employee Benefits represent 18.4% of the district's operating budget.

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	7,371,365	7,716,042	7,847,401	7,966,228	8,087,462	8,211,152
YOY \$ Change	251,440	344,677	131,359	118,827	121,234	123,690
YOY % Change	3.5%	4.7%	1.7%	1.5%	1.5%	1.5%
Percentage of Total Budget	21.4%	21.2%	20.6%	20.4%	20.3%	19.7%

This expense category includes the district's third party student busing service (Petermann, Ltd.); third party custodial service at THS and KMR; as well as the district's IT and EMIS personnel who are contracted through the Butler County ESC and SWOCA. District travel expenditures, utilities services, technical/legal services and tuition paid to other districts are also included in this expense category.

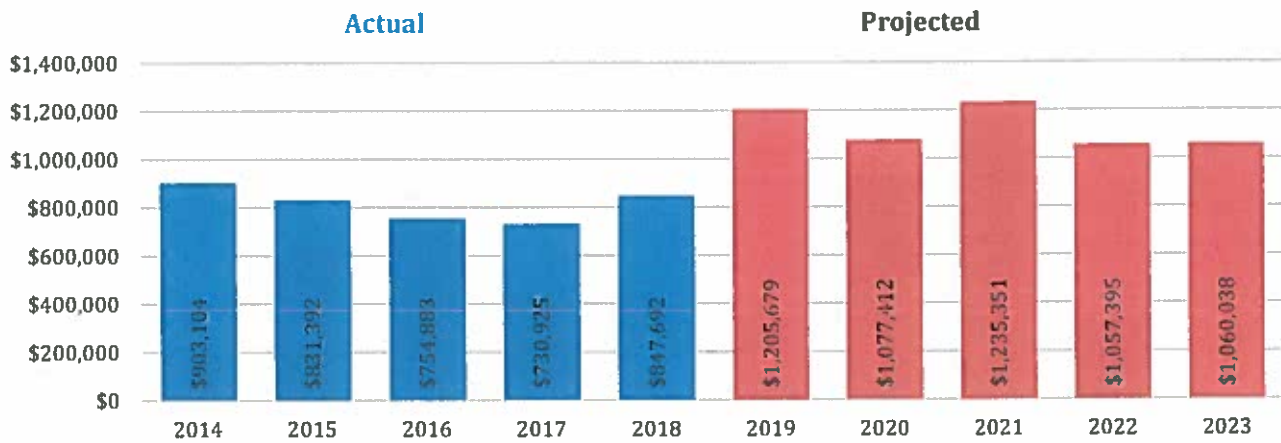
The FY19 amount (\$7.7M) is based on actual YTD April expenditures plus projected expense (based on trend) for the remaining two months of the fiscal year. The current YOY increase is a combination of inflation for existing services and higher Spec Ed spending on UTS busing and outside services (up 22%); McKinney-Vento transportation (up 150%); and 3 new SRO's.

Future expenditures are assumed to increase at a blended average rate of 1.6% annually for the remainder of the forecast.

Purchased Services are 21.1% of the district's operating budget for FY19.

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	847,692	1,205,679	1,077,412	1,235,351	1,057,395	1,060,038
YOY \$ Change	116,767	357,987	(128,267)	157,939	(177,956)	2,643
YOY % Change	16.0%	42.2%	-10.6%	14.7%	-14.4%	0.2%

Percentage of Total Budget	2.5%	3.3%	2.8%	3.2%	2.7%	2.5%
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This expense category includes instructional materials, textbooks, library books, building repair/maintenance/operating supplies and fuel (for district vehicles and Petermann's buses).

The FY19 amount (\$1.2 million) includes actual YTD April expenditures plus projected expenses (using current trend) for the remaining two months of the fiscal year. The current year actual includes textbook adoptions in Language Arts and Music which were BOE approved at cost of about \$495K.

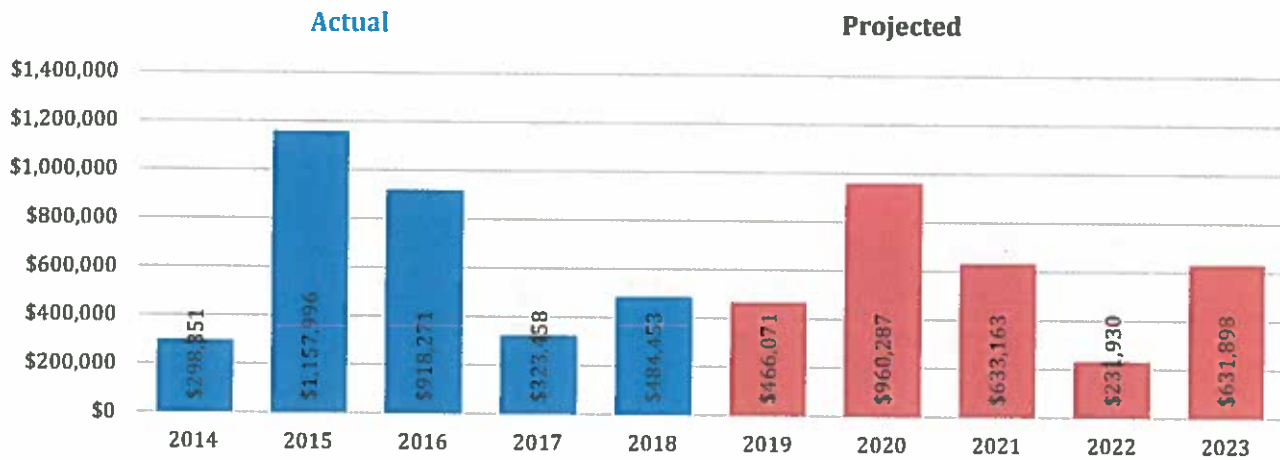
Future amounts are based on an estimated 2.2% CPI annual increase for existing expenditures as well as the 'saw teeth' associated with the YOY differences in the TBA spending. See table above.

The Forecast reflects a shift to the GRF of all textbook adoption expenditures beginning in FY19 which were previously funded from the district's PI fund.

Supplies and Materials represent 3.3% of the district's operating budget for FY19.

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	484,453	466,071	960,287	633,163	231,930	631,898
YOY \$ Change	160,995	(18,382)	494,216	(327,124)	(401,233)	399,968
YOY % Change	49.8%	-3.8%	106.0%	-34.1%	-63.4%	172.5%
Percentage of Total Budget	1.4%	1.3%	2.5%	1.6%	0.6%	1.5%

The district launched its 1:1 Technology Initiative in FY15 spending \$982.6k on Chromebooks for each high school student as well as computer carts and Wi-Fi upgrades for other grade levels. Spending continued in the subsequent year with the purchase of additional Chromebooks for middle school students and certain devices for other grade bands in the district. These items were acquired in early FY16 at a cost of \$429.8k completing the initial 1:1 rollout. The 5 year replace program began in FY19.

The FY19 projected amount of \$466.1K is based on actual YTD April Capital expenditures and FYTD trend for the balance of the fiscal year. The FYTD actual includes new Chromebooks for THS students at a cost of \$353.1K as part of the aforementioned 5 year replacement cycle for technology.

Future Capital expenditures are based mostly on the district's IT Purchasing/Replacement Forecast which shows the technology requirements (mostly replacement Chromebooks and iPads) and a planned replacement cycle for the district's aging SmartBoards with Clever Touch or similar products.

Capital Outlays were 1.3% of the district's operating budget in FY19 but that will ebb and flow based on the saw tooth's shown in the table above. Such YOY variances are due mostly to the 5 year replacement cycle for the 1:1 program and when such purchases are expected to occur.

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	760,971	804,411	805,448	806,508	808,146	809,820
YOY \$ Change	(55,060)	43,440	1,037	1,060	1,638	1,674
YOY % Change	-6.7%	5.7%	0.1%	0.1%	0.2%	0.2%
Percentage of Total Budget	2.2%	2.2%	2.1%	2.1%	2.0%	1.9%

The FY19 amount (\$804K) is comprised of actual YTD April expenditures plus projected expenses (based on trend) for the remaining two months of the fiscal year ending June 30, 2019.

The forecast assumes a blended .2 % annual growth in this expense category for most of the remaining forecast.

Other Objects represent 2.2% of the district's operating budget.

TALAWANDA SCHOOL DISTRICT - - BUTLER COUNTY

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2018	2019	2020	2021	2022	2023
Revenue:						
1.010 - General Property Tax (Real Estate)	12,991,565	12,815,959	12,856,314	13,230,376	13,482,515	13,585,087
1.020 - Public Utility Personal Property	2,352,597	2,484,874	2,477,628	2,509,749	2,504,557	2,499,365
1.030 - Income Tax	6,974,140	7,225,726	7,618,805	7,970,297	8,350,830	8,763,617
1.035 - Unrestricted Grants-in-Aid	8,213,425	8,204,348	8,388,775	8,424,494	8,207,481	8,209,004
1.040 - Restricted Grants-in-Aid	153,662	143,797	143,487	143,487	143,487	143,487
1.050 - Property Tax Allocation	1,492,968	1,487,199	1,493,058	1,524,984	1,556,897	1,563,475
1.060 - All Other Operating Revenues	2,371,239	2,347,972	2,354,210	2,360,511	2,366,875	2,373,302
1.070 - Total Revenue	34,549,596	34,709,875	35,332,277	36,163,898	36,612,642	37,137,337
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	393,965	160,203	-	-	-	-
2.070 - Total Other Financing Sources	393,965	160,203	-	-	-	-
2.080 - Total Rev & Other Sources	34,943,561	34,870,078	35,332,277	36,163,898	36,612,642	37,137,337
Expenditures:						
3.010 - Personnel Services	18,562,077	19,506,488	20,411,344	21,185,594	21,962,411	22,767,871
3.020 - Employee Benefits	6,350,516	6,696,049	6,970,647	7,204,609	7,655,464	8,138,515
3.030 - Purchased Services	7,371,365	7,716,042	7,847,401	7,966,228	8,087,462	8,211,152
3.040 - Supplies and Materials	847,692	1,205,679	1,077,412	1,235,351	1,057,395	1,060,038
3.050 - Capital Outlay	484,453	466,071	960,287	633,163	231,930	631,898
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	760,971	804,411	805,448	806,508	808,146	809,820
4.500 - Total Expenditures	34,377,074	36,394,740	38,072,539	39,031,453	39,802,808	41,619,294
Other Financing Uses						
5.010 - Operating Transfers-Out	-	-	-	-	-	-
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	-	-	-	-	-	-
5.050 - Total Exp and Other Financing Uses	34,377,074	36,394,740	38,072,539	39,031,453	39,802,808	41,619,294
6.010 - Excess of Rev Over/(Under) Exp	566,487	(1,524,662)	(2,740,262)	(2,867,555)	(3,190,166)	(4,481,957)
7.010 - Cash Balance July 1 (No Levies)	25,482,951	26,049,438	24,524,776	21,784,514	18,916,959	15,726,793
7.020 - Cash Balance June 30 (No Levies)	26,049,438	24,524,776	21,784,514	18,916,959	15,726,793	11,244,836
		Reservations				
8.010 - Estimated Encumbrances June 30	168,063	201,930	201,930	201,930	201,930	201,930
9.080 - Reservations Subtotal	913,026	913,026	913,026	913,026	913,026	913,026
10.010 - Fund Bal June 30 for Cert of App	24,968,349	23,409,820	20,669,558	17,802,003	14,611,837	10,129,880
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	24,968,349	23,409,820	20,669,558	17,802,003	14,611,837	10,129,880
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	24,968,349	23,409,820	20,669,558	17,802,003	14,611,837	10,129,880

5.040 - Total Other Financing Uses

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

	Actual			Projected						
\$1										
\$1										
\$1										
\$1										
\$1										
\$1										
\$1										
\$0										
\$0										
\$0										
\$0										
\$0										
\$0										
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023

	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 Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transfers Out	-	-	-	-	-	-
Advances Out	-	-	-	-	-	-

No expenditures are expected.