APPROVED
MAY 17, 2016

Columns City Schools

Franklin County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013, 2014 and 2015 Actual;
Forecasted Fiscal Years Ending June 30, 2016 Through 2020

		Actual				Forecasted				
		Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Average Change	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
	Revenues									
1.010	General Property Tax (Real Estate)	395,138,208	401,210,418	406,453,259	1.4%	406,125,207	417,646,188	419,071,445	420,556,755	421,972,236
1.020	Tangible Personal Property	595,836	198,314	54,648	-69.6%	42,122	8,744	3,497	1,399	560
1.030	Income Tax	-	-	-	0.0%	0	0	0	0	0
1.035	Unrestricted State Grants-in-Aid	239,732,574	244,995,925	248,387,972	1.8%	254,962,489	279,483,108	300,816,378	323,812,084	348,705,916
1.040	Restricted State Grants-in-Aid	1,665,354	16,869,615	45,836,958	542.3%	46,846,018	49,270,274	51,816,563	54,490,993	57,192,167
1.045	Restricted Fed. Grants	1,117,892	665,638	478,507	-34.3%	478,507	478,507	478,507	478,507	478,507
1.050	Property Tax Allocation	61,829,202	62,236,075	62,439,801	0.5%	54,011,097	44,957,663	35,844,649	33,025,032	33,062,132
1.060	All Other Revenues	18,725,446	18,478,560	19,786,151	2.9%	19,346,179	18,600,000	18,600,000	18,600,000	18,600,000
1.070	*Total Revenues*	718,804,512	744,654,545	783,437,296	4.4%	781,811,619	810,444,484	826,631,039	850,964,770	880,011,518
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	1,360,123	-	-	0.0%	$0	$0	-	-	-
2.020	State Emergency Loans and Advancements (Approved)	-	-	-	0.0%	-	-	-	-	-
2.040	Operating Transfers-In	9,728,360	1,031,675	4,779,500	136.9%	2,581,804	2,581,804	2,581,804	2,581,804	2,581,804
2.050	Advances-In	59,864,546	16,540,843	18,268,232	-31.0%	13,470,939	20,000,000	20,000,000	20,000,000	20,000,000
2.060	All Other Financing Sources	136,597	149,755	2,483,173	783.9%	358,313	150,000	150,000	150,000	150,000
2.070	*Total Other Financing Sources*	71,089,626	17,722,273	25,530,905	-15.5%	16,411,056	22,731,804	22,731,804	22,731,804	22,731,804
2.080	*Total Revenues and Other Financing Sources*	789,894,138	762,376,818	808,968,201	1.3%	798,222,675	833,176,288	849,362,843	873,696,574	902,743,322
	Expenditures									
3.010	Personal Services	$373,375,844	$376,663,569	$371,538,886	-0.2%	$380,057,801	$397,742,540	$405,342,540	$413,042,540	$420,942,540
3.020	Employees' Retirement/Insurance Benefits	$151,216,766	$152,534,066	$159,063,417	2.6%	$162,675,431	$167,957,849	$173,969,205	$180,218,757	$193,704,935
3.030	Purchased Services	$177,992,375	$182,297,782	$209,469,058	8.7%	$217,832,710	$249,816,156	$266,528,317	$281,419,151	$299,002,072
3.040	Supplies and Materials	15,530,933	16,776,217	14,541,080	-2.7%	21,098,271	26,443,774	26,039,271	27,552,841	28,437,285
3.050	Capital Outlay	2,264,929	2,296,026	2,758,685	10.8%	4,370,517	10,715,861	4,758,504	5,139,291	3,759,726
3.060	Intergovernmental	-	-	-	0.0%					
	Debt Service:				0.0%					
4.010	Principal-All (Historical Only)	925,000	-	-	0.0%	-	-	-	-	-
4.020	Principal-Notes	-	-	$3,280,000	0.0%	$2,370,000	$2,325,000	$2,370,000	$2,430,000	$2,520,000
4.030	Principal-State Loans	-	-	-	0.0%	-	-	-	-	-
4.040	Principal-State Advancements	-	-	-	0.0%	-	-	-	-	-
4.050	Principal-HB 264 Loans	-	965,000	$775,000	0.0%	$0	$0	$0	$0	$0
4.055	Principal-Other	1,315,330	657,665	657,665	0.0%	657,665	657,665	657,665	657,665	657,665
4.060	Interest and Fiscal Charges	656,794	1,284,977	1,272,994	47.4%	1,211,472	1,168,944	1,117,256	1,041,719	1,041,719
4.300	Other Objects	8,571,241	9,909,067	9,096,315	3.7%	8,795,138	5,849,476	6,155,323	6,488,319	6,717,640
4.500	*Total Expenditures*	731,849,212	$743,384,369	772,453,100	2.7%	799,069,005	862,677,265	886,938,081	917,990,283	956,783,582
	Other Financing Uses									
5.010	Operating Transfers-Out	$7,902,964	$1,674,475	$5,422,300	72.5%	$3,224,604	$3,700,000	$3,700,000	$3,700,000	$3,700,000
5.020	Advances-Out	49,243,133	17,723,535	$12,417,673	-47.0%	10,082,484	20,000,000	20,000,000	20,000,000	20,000,000
5.030	All Other Financing Uses	-	1,529	$210	0.0%	$3,586	$4,000	$4,000	$4,000	$4,000
5.040	*Total Other Financing Uses*	57,146,097	19,399,539	17,840,183	-37.0%	13,310,674	23,704,000	23,704,000	23,704,000	23,704,000
5.050	*Total Expenditures and Other Financing Uses*	788,995,309	762,783,908	790,293,283	0.1%	812,379,679	886,381,265	910,642,081	941,694,283	980,487,582
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	898,829	(407,090)	18,674,918	-2416.4%	(14,157,004)	(53,204,977)	(61,279,238)	(67,997,709)	(77,744,260)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	119,706,632	120,605,461	120,198,371	0.2%	138,873,289	124,716,285	71,511,308	10,232,070	(57,765,639)
7.020	*Cash Balance June 30*	120,605,461	120,198,371	138,873,289	7.6%	124,716,285	71,511,308	10,232,070	(57,765,639)	(135,509,899)
8.010	*Estimated Encumbrances June 30*	12,685,185	10,823,622	13,844,976	6.6%	8,000,000	8,000,000	8,000,000	8,000,000	$8,000,000
	Reservation of Fund Balance									
9.010	Textbooks and Instructional Materials	-	-	-	0.0%	-	-	-	-	-
9.020	Capital Improvements	-	-	-	0.0%	-	-	-	-	-
9.030	Budget Reserve	-	-	-	0.0%	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
9.040	DPIA	-	-	-	0.0%	-	-	-	-	-
9.045	Fiscal Stabilization	-	-	-	0.0%	-	-	-	-	-
9.050	Debt Service	-	-	-	0.0%	-	-	-	-	-
9.060	Property Tax Advances	-	-	-	0.0%	-	-	-	-	-
9.070	Bus Purchases	-	-	-	0.0%	-	-	-	-	-
9.080	*Subtotal*	-	-	-	0.0%	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
10.010	*Fund Balance June 30 for Certification of Appropriations*	107,920,276	109,374,749	125,028,313	7.8%	110,716,285	57,511,308	(3,767,930)	(71,765,639)	(149,509,899)

APPROVED
MAY 17, 2016

Columbus City Schools

Franklin County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013, 2014 and 2015 Actual;
Forecasted Fiscal Years Ending June 30, 2016 Through 2020

		Actual				Forecasted				
		Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Average Change	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal	-	-	-	0.0%	-	-	-	-	-
11.020	Property Tax - Renewal or Replacement	-	-	-	0.0%	-	-	-	-	-
11.300	Cumulative Balance of Replacement/Renewal Levies	-	-		0.0%	-	-	-	-	-
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	107,920,276	109,374,749	125,028,313	7.8%	110,716,285	57,511,308	(3,767,930)	(71,765,639)	(149,509,899)
	Revenue from New Levies									
13.010	Income Tax - New	-	-	-	0.0%	$0	$0	-	-	-
13.020	Property Tax - New	-	-	-	0.0%	-	-	-	-	-
13.030	Cumulative Balance of New Levies	-			0.0%	-	-	-	-	-
14.010	Revenue from Future State Advancements	-	-	-	0.0%	$0	$0	-	-	-
15.010	*Unreserved Fund Balance June 30*	107,920,276	109,374,749	125,028,313	7.8%	110,716,285	57,511,308	(3,767,930)	(71,765,639)	(149,509,899)

See accompanying summary of significant forecast assumptions and accounting policies
Includes: General fund, Emergency Levy fund, and any portion of Debt Service fund related to General fund debt.

COLUMBUS CITY SCHOOLS - FRANKLIN COUNTY

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED ACTUAL JUNE 30, 2013, 2014, 2015 FORECASTED FISCAL YEARS ENDING JUNE 30, 2016 THROUGH 2020

Forecast Provided By

Columbus City Schools

Treasurer's Office

Stanley Bahorek, Treasurer CFO

May 17, 2016

Columbus City School District – Franklin County
Notes to the Five Year Forecast
General Fund Only
May 17, 2016

Introduction to the Five Year Forecast
All school districts in Ohio are required to file a five (5) year financial forecast by October 31, and May 31, in each fiscal year (FY). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. Fiscal year 2016 (July 1, 2015-June 30, 2016) is the first year of the five year forecast and is considered the baseline year. The May forecast is used to provide an update of the actual revenues and expenditures for the current fiscal year and the effect of this year on the remaining years of the forecast.

May 2016Updates:

Revenues:
The overview of revenues and other financing sources shows that we are substantially on target with original estimates at this point in the year. Total General Fund revenues and other financing sources(line 2.08) are estimated to be $798.2M or .49% lower than the October forecasted amount of $802.2M. This indicates the October forecast was 99.51% accurate.

The decrease in revenue estimate is mostly affected by the change in estimate for advance returns for short term loans to other funds which accounts for a $6.5M decrease for FY16.

All other areas of revenue are tracking as anticipated for FY16.

Expenditures and other financing uses:
The overview of expenditures and other financing (Line 5.05) shows a decrease in expected cost of $33.9M or approximately 4% of the total. Total General Fund expenditures and other financing uses are estimated to be $812.4M compared to the October forecasted amount of $846.3M. This indicates the October forecast was 96.0% accurate for this area.

Unreserved Ending Cash Balance:
With revenues decreased slightly over estimates and expenditures ending below estimates, our ending unreserved cash balance is anticipated to be just over $110.7 million. The ending unreserved cash balance on Line 15.010 of the forecast is anticipated to be a positive accumulative balance through 2017 if our interpretations of the FY16 & FY17 state budget (HB64) are correct. This uncertainty is discussed in more detail throughout the notes

Forecast Risks and Uncertainty:

Our financial forecast is laden with risks and uncertainty not only due to economic uncertainties but also due to the volatility of the legislative changes that will be happening in the spring of 2017 and 2019 during deliberations of the next two (2) state biennium budgets for FY18-19 & FY20-21, both of which affect this forecast. We have estimated revenues and expenses based on the best data available to us at the time of this forecast. The items below give a short description of the current issues and how they may affect our forecast long term:

I. **State Foundation Funding** - The State Budget represents nearly 45.6% of district revenues. It is clearly a significant area of risk. The risk comes in FY18 and beyond if the state economy worsens or if the state funding formula is changed in a way that reduces funds to our district. Future uncertainty in both the state foundation funding formula and the state's economy makes this area an elevated risk to district funding through FY20.

II. **Tangible Personal Property Tax Reimbursement** - The new State Budget (HB64) reinstates the phase out of Tangible Personal Property (TPP) fixed rate reimbursements to the district. HB64 resumes the phase out in FY16 and will continue it until we receive no reimbursement after FY18.

III. **Tuition Vouchers & Community Schools** - There are many provisions in the current state budget bill HB64 that will increase the district expenditures in the form of expanded school choice programs and increases in the amounts deducted from our state aid in the 2015-16 school year and beyond. The cost of each Autism Scholarship and many Peterson Special Needs vouchers increased sharply from $20,000 to $27,000 each, a 35% increase. Expansion or creation of programs such as these could expose the district to new expenditures that are not currently in the forecast. We are monitoring any new threats to our state aid and increased costs very closely.

IV. **Patient Protection and Affordable Care Act (PPACA)** – This program was approved March 23, 2010 along with the Health Care and Education Reconciliation Act. Many of the provisions of this federal statute were supposed to be implemented January 1, 2014 but were delayed by the IRS on July 2, 2013 until January 1, 2015. The Cadillac tax is expected to go into effect January 1, 2020 at a rate of 40% of the cost of insurance above predetermined amounts. We have made allowances for increased cost in the forecast based on what we know at this time. Rules for the PPACA are in flux at this time and we are tracking them closely. Future uncertainty over rules and implementation of PPACA is a risk.

V. **Rollback** - HB59 eliminated the Rollback exemption on any future new or replacement levy. This means that should the District place a new levy on the ballot, taxpayers will no longer receive the 12.5% reduction as they do now on current levies. This could make passing any new levy more difficult and results in a shift of the tax burden from the State of Ohio onto local taxpayers.

The major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information please feel free to contact Stanley J. Bahorek, Treasurer of Columbus City Schools, at 614-365-6472.

Revenue Assumptions

Estimated General Fund Operating Revenues for FY 16

Classification	Actual TAX YEAR2015 COLLECT 2016	Estimated TAX YEAR2016 COLLECT 2017	Estimated TAX YEAR2017 COLLECT 2018	Estimated TAX YEAR2018 COLLECT 2019	Estimated TAX YEAR2019 COLLECT 2020
Res./Ag.	$4,962,761,990	$4,960,261,990	$4,987,563,300	$4,990,063,300	$4,992,563,300
Comm./Ind.	3,618,506,010	3,613,506,010	3,626,573,540	3,621,573,540	3,616,573,540
Utility Pers. Prop. (PUPP)	295,198,030	305,198,030	315,198,030	325,198,030	335,198,030
Total Assessed Values	$8,876,466,030	$8,878,966,030	$8,929,334,870	$8,936,834,870	$8,944,334,870

Real Estate Value Assumptions

Property Tax Value and Collections:
Property Values are established each year by the County Auditor based on new construction, demolitions, BOR/BTA outcomes, and complete reappraisal or updated values. A reappraisal update of the district property value occurred for 2014 values collected in calendar year 2015 which reduced residential/agricultural assessed values by (-2.9%) and commercial assessed values by (-0.14%). We experienced a slight increase in values of .488% for 2015 values to be collected in 2016. While we have anticipated no further reductions in values due to appraisals based on conversations with the Franklin County Auditor, it is important to note that if values do continue to drop the district will lose money on the 4.51 inside millage and 7.85 mill 2008 levy. For each 1% reduction in residential assessed value district revenues will fall $630,447 annually.

The district will experience a complete appraisal update in 2017 to be collected in 2018. We have anticipated a .5% increase in residential and commercial property at that time. These assumptions will require further analysis as more data is obtained nearer to the actual appraisal date.

Property tax collections are the largest single revenue source for the school system. The predictability of this revenue has been difficult due to the weak real estate and property values. Residential property values increased slightly while commercial property values continued to decline overall in 2015 for collection in 2016 based on the latest tax abstract data. The good news is that the decline of commercial values is still due in part to old BOR/BTA case activity which will eventually work through the system. Another bit of good news for the district values was a $10.0 million increase in public utility personal property (PUPP) values. This represents a 3.51% increase in PUPP values, which is collected at our gross tax rates.

Property Tax Delinquencies:
A growing concern with property taxes in the past several years since 2007 is delinquencies and Board of Revision (BOR) and Board of Tax Appeals (BTA) cases. Outstanding delinquent taxes were $64,131,004 at the close of the 2014 tax year (June 2015). This is a decrease from tax year 2011 levels but still represents a substantial amount unpaid to the district. Part of the decrease in delinquent taxes is a result of the land bank program where delinquent taxes are reduced but not collected by the district. We continued to collect large delinquent payments in the February and August tax settlements and the county auditor has lowered his estimate of delinquent current tax collections from 5.54% to 4.78%. We

believe this is a good signal that delinquencies may not continue to grow and possibly collect on unpaid back taxes due the district. We will continue to monitor delinquent taxes and tax appeals closely.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

Classification	Actual TAX YEAR2015 COLLECT 2016	Estimated TAX YEAR2016 COLLECT 2017	Estimated TAX YEAR2017 COLLECT 2018	Estimated TAX YEAR2018 COLLECT 2019	Estimated TAX YEAR2019 COLLECT 2020
Res./Ag.	$4,962,761,990	$4,960,261,990	$4,987,563,300	$4,990,063,300	$4,992,563,300
Comm./Ind.	3,618,506,010	3,613,506,010	3,626,573,540	3,621,573,540	3,616,573,540
Utility Pers. Prop. (PUPP)	295,198,030	305,198,030	315,198,030	325,198,030	335,198,030
Total Assessed Values	$8,876,466,030	$8,878,966,030	$8,929,334,870	$8,936,834,870	$8,944,334,870

Tax Abatements

One economic development tool the City of Columbus utilizes is the abatement (partial or full) of property taxes for certain periods of time to developers. The school district has tabulated the existing abatements to better understand when those abatements expire and therefore when the district might expect the estimated foregone tax revenue begin to be received. The following table shows the estimated foregone property tax revenue by tax year that the abatements expire. This tax revenue is included in the calculation of estimated tax revenue due to new construction.

Tax Year of Expiration	Estimated Annual Property Tax Revenue
2017	$2,255,085
2018	$2,027,267
2019	$2,544,954
2020	$1,757,874
2021	$483,977
2022	$1,559,421
2023	$1,092,184
2024	$888,620
2025	$216,277
2026	$317,457
2027	$134,253
2028	$2,653,862
2029	$992,774
Grand Total	**$16,924,005**

Estimated Real Estate & Public Utility Personal Property Taxes - Line #1.010

Property tax levies are estimated to be collected at net rate of approximately 94% of current collections allowing for a 6% delinquency which fluctuates year to year. In general 51% of the new Residential and

Commercial/Industrial real estate taxes are estimated to be collected in February tax settlements and 49% collected in August tax settlements. Public Utility tax settlements (PUPP taxes) are estimated to be received 50% in February and 50% in August settlement from Franklin County Auditor.

Source	FY16	FY17	FY18	FY19	FY20
Est. Real Estate Taxes	$406,125,207	$417,646,188	$419,071,445	$420,556,755	$421,972,236

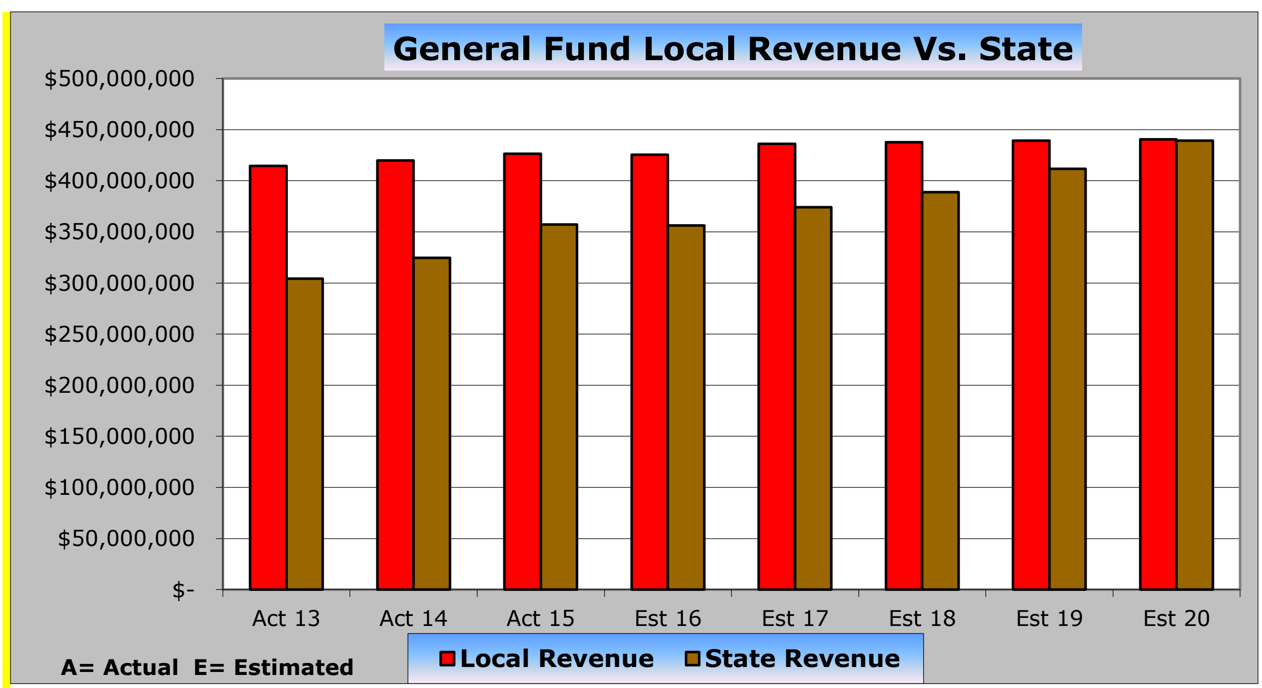
Estimated Tangible Personal Tax – Line#1.020

General tangible personal property taxes (TPP) are expected to be received throughout the forecast as delinquent tax collections. HB66 passed July 1, 2005 enacted law to phase out Tangible Personal Property assessed valuation and taxes locally. There was $8,623,757, in outstanding delinquent (TPP) taxes at June 30, 2013. We have no idea of the amount and when these taxes will be collected; we will see them trickle in from time to time as we did this year.

In 2004 before the phase out began district Tangible Personal Property assessed values were $910 million yielding $52 million in Tangible Personal Property general fund receipts being collected (equivalent to a 5.3 mill levy at that time). It is no surprise that the district passed a new 7.85 mill levy in 2008, in part, to replace these lost local funds. This in effect transferred the burden for those lost dollars into increased taxes on local taxpayers. As noted earlier HB153 cut the prior promised level of state TPP reimbursements to the district in FY12 and FY13 and HB64 resumes the phaseout of the reimbursement until it is eliminated in FY18.

Source	FY16	FY17	FY18	FY19	FY20
Tangible Personal Property	$42,122	$8,744	$3,497	$1,399	$560
Total Line # 1.020	$42,122	$8,744	$3,497	$1,399	$560

General Fund State and Local Revenue Share



State Foundation Revenue Estimates – Lines #1.035; #1.040; and, Line #1.045
The amounts estimated for FY16 through FY20 for state funding is based on funding component computations from the most recent April 2016 State Foundation Payment Report(SFPR). The current FY16-17 state budget HB64 includes an increase in funding for our district. We are projected to be a cap district for all years of the forecast. Our state funding status for FY18-20 will depend on the FY18-19 and the FY20-21 state budgets. There are two unknown state budgets in this forecast period covering four fiscal years.

In FY14-15 HB59 is using the fourth (4^{th}) new funding formula for public education since 2009. HB64 made alterations to the funding formula and added several new components. The new funding formula is very complex and could change again with the new FY18-19 or FY20-21 state budgets. The funding formula in HB64 has a modified State Share Index(SSI) method to measure a district's wealth and capacity to raise local revenue. The SSI is a calculation method to measure a district's wealth and capacity to raise local revenue. There are three (3) components of the SSI:

1) Valuation Index that measures the district average property value per pupil for tax year 2010, 2011 and 2012 compared to the statewide average valuation per pupil;
2) Median Income Index that uses tax year 2011 median income compared to statewide median income that is used to measure the ability of a district's residents to pay property taxes;
3) Wealth Index which uses two thirds (2/3) of the Valuation Index and one third (1/3) of the Median Income Index to compute the overall district Wealth Index.

The three components taken together form the one (1) overarching State Share Index (SSI) which equalizes state funding based on wealth. In prior funding formulas the main tool to equalize wealth was a millage charge-off of 23 mills of adjusted valuation per pupil. If the SSI were reduced to a charge-off as in past formulas there would not be a uniform charge-off, rather a range of charge-off rates from 11.3 mills to 22.9 mills.

The SSI is applied to the nine (9) separate components that constitute state aid in FY16 and FY17 to determine need. The nine (9) components of the funding model are:

1) Opportunity Grant – Per pupil amount $5,900 in FY16 and $6,000 in FY17
2) Targeted Assistance – Tier I based on wealth and Tier II based on percentage of district agricultural assessed value
3) Special Education Additional Aid – Based on six (6) categories of disability
4) Limited English Proficiency – Based on three (3) categories based on time student enrolled in schools
5) Economically Disadvantaged Aid- Based on number and concentration of economically disadvantaged students
6) K-3 Literacy Funds- Based on districts K-3 average daily membership and two Tiers
7) Gifted Funds –Based on average daily membership at $5.05 per pupil in FY16 & FY17
8) Career-Technical Education Funds – Based on career technical average daily membership of students enrolled in five (5) categories.
9) Transportation Aid – Funding based on total ridership rather than qualifying ridership in determining statewide cost per rider. HB64 fully funds this item but at a share of 50% rather than 60% in prior years.

There are potentially 342 independent variables in the SFPR formula. If any of the variables are changed, either independently or in conjunction with other variables, there could be a change to forecasted state aid for FY16-20. Currently, there are still changes being made to the above variables as well as changes that could result once ODE finalizes the calculations from FY15, which is not expected until late May 2016. Our estimates are based on the best information available to us and the most current calculation used by ODE. Changes to our forecasted data could occur if there are large adjustments made by ODE based on the final FY15 reconciliation.

There are several new funding components provided in HB64 for FY16 &17. These are additional funds that can be earned by a district or is intended to help a district who has an undo burden or inability to raise local revenue. Our estimates for these components are from the April 2016 SFPR.

1) Capacity Aid – Provides additional funding for districts where income generated for one mill of property tax is below the state median for what is generated. We will receive $0.
2) Transportation Supplement – Provides additional funding for districts with rider density (riders per square mile) less than 35 students in FY16 and 50 in FY17. Provides additional funding based on rider density and the number of miles driven by the school buses. Our supplement is expected to be $0.
3) 3rd Grade Reading Proficiency Bonus- Provides a bonus to districts based on third grade reading results. Our bonus is expected to be $371,918.
4) High School Graduation Rate Bonus-Provides a bonus to districts based on high school graduation rates up to approximately $450 per student. Our bonus is expected to be $0.

Current calculations indicate our district is a “CAP” funded district for FY16 and we anticipate that we will remain on the CAP in FY17 as well. The CAP growth rate for FY16 & 17 is 7.5% each year. We believe the district will receive additional funds for the period FY16 through FY20. We have conservatively estimated an increase in the CAP amount of 7.5% each year for FY18-20, but this amount could be higher or lower. There is no guidance on the state funding model or increases for the FY18-20 period. The following table illustrates our actual basic foundation aid compared to the fully calculated amount without the cap:

Source	FY16	FY17	FY18	FY19	FY20
Uncapped Formula Aid	$390,711,092	$395,612,055	$398,987,856	$402,240,525	$405,645,162
Capped Formula Aid	296,116,083	318,324,789	342,199,148	367,864,084	395,453,890
Difference	94,595,009	77,287,266	56,788,708	34,376,441	10,191,271

On November 3, 2009 Ohio voters passed the Ohio casino ballot issue. This state issue allowed for the opening of four (4) casinos one each in Cleveland, Toledo, Columbus and Cincinnati. As of March 4, 2013 all four (4) casinos are open for business and generating Gross Casino Tax Revenues (GCR). Thirty-three percent (33%) of the gross casino revenue will be collected as a tax. School districts will receive 34% of the total tax that will be paid into a student fund at the state level. These funds are distributed to school districts on the 31st of January and August each year beginning January 2013.

The initial student payment to school in January 2013 was $21.00 per pupil based on 1,816,000 pupils in Ohio. As more actual taxes are collected the state has indicated that the original 2009 estimates of $1.9 Billion of Gross Casino Revenue (GCR) may be closer to $900 million as revenues from casinos are not growing robustly as originally predicted. We are estimating statewide student enrollment to decline by ½ of 1% annually. Based on the estimated decrease in enrollment paired with the lower anticipated statewide revenues, we expect FY16 payments of $51.25 per pupil. For FY17-20 we are estimating a continued enrollment decline and stable casino revenues will allow for an increase in the amount per pupil to $52. We will increase estimates for the out years when actual casino revenues show signs of stronger increases.

A) Unrestricted State Foundation Revenue SF-3 Form – Line #1.035

Source	FY16	FY17	FY18	FY19	FY20
Basic Aid- Per	$244,660,171	$269,138,097	$290,466,167	$313,456,673	$338,345,305
Pre School Spec Ed Transportation	7,695,621	7,740,257	7,740,257	7,740,257	7,740,257
Subtotal State Basic Aid	$245,879,326	$276,878,354	$298,206,424	$321,196,930	$346,085,562
Casino Revenue	2,562,061	2,604,754	2,609,954	2,615,154	2,620,354
Total Unrestricted State Aid Line # 1.035	$254,962,489	$279,483,108	$300,816,378	$323,812,084	$348,705,916

B) Restricted State Revenues – Line # 1.040

HB64 continues funding two restricted sources of revenues to school district which are Economic Disadvantaged Funding and Career Technical Education funding. We have incorporated this amount into the restricted aid amount in Line # 1.04 for FY16-20.

Source	FY16	FY17	FY18	FY19	FY20
Econ. Disadvantaged Aid	$44,761,516	$47,103,291	$49,563,193	$52,147,137	$54,756,920
Career Tech - Restricted	2,084,502	2,166,983	2,253,370	2,343,856	2,435,247
Total Restricted State	$46,846,018	$49,270,274	$51,816,563	$54,490,993	$57,192,167

C) Restricted Federal Grants in Aid – Line #1.045

The Qualified School Construction Bond interest credit is for the subsidy to help reduce borrowing costs on the Stewart Elementary bonds. This is restricted for the payment of interest and will help reduce net borrowing costs on that debt. The Federal government has decreased the reimbursement on these bonds by 7.5% from the original amount expected.

Source	FY16	FY17	FY18	FY19	FY20
IRS QSCB Interest credit	$478,507	$478,507	$478,507	$478,507	$478,507
Total Line # 1.045	**$478,507**	**$478,507**	**$478,507**	**$478,507**	**$478,507**

SUMMARY OF STATE FOUNDATION REVENUES

Source	FY16	FY17	FY18	FY19	FY20
Unrestricted Line # 1.035	$254,962,489	$279,483,108	$300,816,378	$323,812,084	$348,705,916
Restricted Line # 1.040	46,846,018	49,270,274	51,816,563	54,490,993	57,192,167
Restricted - Line #1.045	478,507	478,507	478,507	478,507	478,507
Total State Foundation	$302,287,014	$329,231,889	$353,111,448	$378,781,584	$406,376,590

Property Tax Allocations- Line #1.050
a) Rollback and Homestead Reimbursement
Rollback funds are reimbursements paid to the district from Ohio for tax credits given owner occupied residences equaling 12.5% of the gross property taxes charged residential taxpayers on tax levies passed prior to September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013 which is the effective date of HB59. HB66 the FY06-07 budget bill previously eliminated 10% rollback on Class II (commercial and industrial) property.

Homestead Exemptions are also credits paid to the district from the state of Ohio for qualified elderly and disabled. In 2007 HB119 expanded the Homestead Exemption for all seniors over age 65 years of age or older or who are disabled regardless of income. Effective September 29, 2013 HB59 changes the requirement for Homestead Exemptions. Individual taxpayers who do not currently have their Homestead Exemption approved or those who do not get a new application approved for tax year 2013, and who become eligible thereafter will only received a Homestead Exemption if they meet the income qualifications. Taxpayers who currently have their Homestead Exemption as of September 29, 2013 will not lose it going forward and will not have to meet the new income qualification. This will slow the growth of homestead reimbursements to the district, and as with the rollback reimbursements above, increase the taxes collected locally on taxpayers.

Source	FY16	FY17	FY18	FY19	FY20
Rollback and Homestead	$33,281,373	$32,940,173	$32,978,904	$33,025,032	$33,062,132

b) Tangible Personal Property Reimbursements – Fixed Rate
School districts were to be reimbursed for the TPP tax losses by the state of Ohio at varying levels through 2026 but those reimbursements were severely curtailed or eliminated by HB153 effective July 1, 2012. The state of Ohio reduced its funding to school districts for TPP reimbursements from $1.13 billion in FY11 to $510 million in FY13, where it was frozen for FY15. HB64 the current state budget has reinstituted the phase out of TPP reimbursements to districts beginning in FY16. The phase out is based on five wealth tiers called quintiles. A Quintile 1 district will loose TPP funding based on 1% of qualifying revenue and a Quintile 5 districts will loose TPP reimbursements equal to 2% of qualifying revenue. Revenue will be phased out at these quintile levels until all TPP state funds are gone. In FY16 there is a TPP Phase out guarantee for districts whose total state and TPP reimbursements were lower in FY16 than were actually received in FY15. The TPP Phase out guarantee is only for FY16. We are in quintile #2 with a scheduled loss of 1.25% of qualifying revenue each year. We do not qualify for the supplement and therefore will see our reimbursement end after FY18.

Source	FY16	FY17	FY18	FY19	FY20
TPP Reimbursement	$20,729,724	$12,017,490	$2,865,745	$0	$0

Source	FY16	FY17	FY18	FY19	FY20
Rollback and Homestead	$33,281,373	$32,940,173	$32,978,904	$33,025,032	$33,062,132
TPP Reimbursement	20,729,724	12,017,490	2,865,745	0	0
Total Line #1.050	$54,011,097	$44,957,663	$35,844,649	$33,025,032	$33,062,132

Other Local Revenues – Line #1.060
All other revenues include interest earnings and other various income sources. Interest income is forecast to decrease next year due to a decreasing cash balance available for investments. We have interest remaining constant in the following years as the district's balances available for investment vary month to month due to cash flow needs and interest rates are expected to vary over the duration of the forecast. District funds are invested in U.S. Government agency discount notes, banker's acceptances, treasury notes, certificates of deposits, and money held in STAROHIO, the State Treasurer's investment pool. The treasurer's office ladders out investments to catch a portion of the yield curve offering slightly better rates and will continue to monitor rates to invest the available capital at the most secure and highest yield possible. Security of the public funds collected by the district is however the top priority of the treasurer's office.

Win Win payments for FY15 are a result of new calculations all parties have agreed upon. The Win Win agreement comes up for renewal with suburban districts every six years and will be up for review in 2016. We anticipate revenues through FY20 at the FY15 levels.

Source	FY16	FY17	FY18	FY19	FY20
Open Enrollment Gross	$0	$0	$0	$0	$0
Interest in Investments 1410	2,165,667	1,900,000	1,900,000	1,900,000	1,900,000
Win Win Agreement	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
PILOT Payments 2400	5,635,714	5,100,000	5,100,000	5,100,000	5,100,000
Tuition SF-14 & SF-14H (12xx)	2,862,973	2,900,000	2,900,000	2,900,000	2,900,000
Medicaid, rentals and other	3,681,825	3,700,000	3,700,000	3,700,000	3,700,000
Total Line # 1.060	$19,346,179	$18,600,000	$18,600,000	$18,600,000	$18,600,000

Short-Term Borrowing – Lines #2.010 & Line #2.020
There is no short term borrowing planned for in this forecast at this time from any sources.

Transfers In / Return of Advances – Line #2.040 & Line #2.050
These are non-operating revenues which are the repayment of short term loans to other funds. The amount of advances in and advances out are both captured as a "snap-shot" for June 30. There is a lag in timing of when these funds are repaid to the general fund from the Federal and State grant funds versus when they are loaned. Ohio budgetary laws require the district to loan funds from the General Fund to the grants. Also, federal and state budgetary spending requirements require the district to spend before the funds are repaid to the general fund – the district must present a "Project Cash Request" form or "PCR" to be repaid from the state and federal governments. We do not control the timing of these fund repayments.

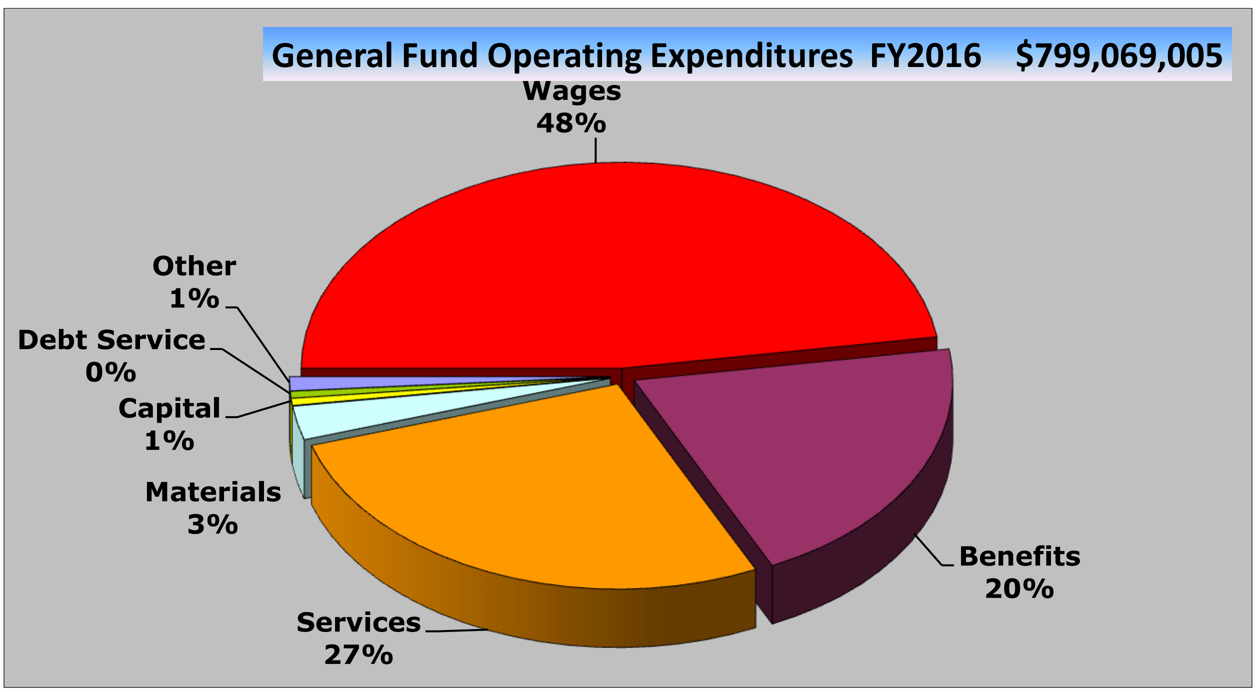
All Other Financial Sources – Line #2.060 & Line #14.010

Source	FY16	FY17	FY18	FY19	FY20
Tax Ant. Notes Line 2.010	$0	$0	$0	$0	$0

Source	FY16	FY17	FY18	FY19	FY20
Transfers In - Line 2.040	$2,581,804	$2,581,804	$2,581,804	$2,581,804	$2,581,804
Advance Returns	13,470,939	20,000,000	20,000,000	20,000,000	20,000,000
Total Transfer & Advances In	$16,052,743	$22,581,804	$22,581,804	$22,581,804	$22,581,804

Source	FY16	FY17	FY18	FY19	FY20
ROPYE & Sale FA - Line #2.060	$358,313	$150,000	$150,000	$150,000	$150,000

Expenditures Assumptions
General Fund Operating Expenditures FY16



Wages & Personal Services – Line #3.010
The estimate for Wages includes a number of factors. For FY16, we have provided for step increases of 2.2% while accounting for staff additions of 130 certified for FY16. We included a base wage increase of 2% for year FY17pursuant to current collective bargaining agreements and 0% in the out years of the forecast and step increases of 2.2% for all the remaining years of the forecast.

Source	FY16	FY17	FY18	FY19	FY20
Base Wages	$371,538,886	$380,057,801	$397,742,540	$405,342,540	$413,042,540
Wage Adjustments	0	8,400,000	0	0	0
Step Increases	0	8,400,000	8,800,000	8,900,000	9,100,000
Staff Changes	0	1,984,739	0	0	0
Retirement/Replacement savings/ or YoY change	8,518,915	(1,100,000)	(1,200,000)	(1,200,000)	(1,200,000)
Total Wages Line 3.010	$380,057,801	$397,742,540	$405,342,540	$413,042,540	$420,942,540

Fringe Benefits Estimates - Line 3.02
This area of the forecast captures all costs associated with benefits and retirement costs. Fringe benefits ran 20.6% in FY14, and are estimated to be 20.4% in FY16 and then increase each year driven by health insurance.

A) STRS/SERS Retirement Contributions
The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System or the School Employees Retirement System as required by Ohio law. No change in employer contributions have been estimated in this forecast however it has been actively discussed during the past state budget deliberations.

SERS announced on April 5, 2010 that they were requiring districts to pay SERS on a current fiscal year basis and not 6 months in arrears which has been the case since 1987 when districts moved from calendar year to fiscal year. We are estimating this cost which began in FY11 will end in FY16 and result in an additional $3,048,000 cost for FY16.

Source	FY16	FY17	FY18	FY19	FY20
Base Wages 211, 221	$52,498,445	$53,702,167	$56,201,021	$57,274,901	$58,362,911
Wage Adjustments	0	1,176,000	0	0	0
Step Increases	0	1,176,000	1,232,000	1,246,000	1,274,000
YoY Change	4,164,700	0	0	0	0
Staff Changes	0	277,863	0	0	0
Retirement/Replacement savings	0	(154,000)	(168,000)	(168,000)	(168,000)
Total Retirement System Estimates	$56,663,145	$56,178,030	$57,265,021	$58,352,901	$59,468,911

B) Health Insurance Contributions
We are estimating costs to increased 4.4% composite for all coverage's (medical, dental and vision) for FY15. For FY16 and beyond a rate increase of 4.2% is estimated. Insurance generally runs 22% of wages paid but will increase annually with the rate trend noted.

Patient Protection and Affordable Care Act (PPACA) Costs- the Patient Protection and Affordable Care Act (PPACA) commonly called Obamacare or the Affordable Care Act (ACA), is a United States federal statute signed into law by President Barack Obama on March 23, 2010. Together with the Health Care and Education Reconciliation Act, it represents the most significant regulatory overhaul of the country's healthcare system since the passage of Medicare and Medicaid in 1965. Many of the significant provisions of the PPACA that were scheduled to be implemented by employers on January 1, 2014 were delayed until January 1, 2015 by a July 2, 2013 ruling from the IRS. It is uncertain to what extent the implementation of PPACA will cost our district additional funds. There are numerous new regulations that potentially will require added staff time, at least initially due to increased demands, and it is likely that additional employees will be added to coverage that do not have coverage now. We are not certain what these added costs maybe but there are "taxes" mandated by the act which we are aware of. The Transition Reinsurance fee due January 15, 2015, is a fee due the IRS for $5.25 per covered member per month for the prior year (2014).This will be $63 for each employee who had a full year of coverage in the prior year. Longer-term a significant concern is the 40% "Cadillac Tax" that will be imposed in 2020 for plans whose value of benefits exceed $10,200 for individual plans and $27,500 for family plans. We have included payment of $7M in FY20 for the Cadillac Tax. The rules and implementation of the PPACA is an ongoing issue we are watching closely to evaluate the effect on our district.

Source	FY16	FY17	FY18	FY19	FY20
Base Costs	$89,556,626	$92,047,002	$96,824,530	$101,428,157	$106,511,965
YoY Change	$2,490,376	$0	$0	$0	$0
Cadillac Tax	0	0	5,000,000	6,000,000	7,000,000
Retirement/Replacement savings	0	(217,800)	(237,600)	(237,600)	(237,600)
Staff Changes	0	392,978	0	0	0
Insurance Trend Adjustment	0	4,602,350	4,841,227	5,321,408	5,625,598
Total Insurance Estimates	$92,047,002	$96,824,530	$106,428,157	$112,511,965	$118,899,963

C) Workers Compensation & Unemployment Compensation

Workers Compensation is expected to rise to 2.35% of wages in FY15-19. BWC will increase and decrease typically as wages rise and fall. The district is a direct reimbursement payer for Unemployment Compensation thereby paying only the claims that are paid on its behalf when claims are made.

Source	FY16	FY17	FY18	FY19	FY20
Workers Comp Base Cost Estimates	$8,466,886	$8,949,207	$9,120,207	$9,293,457	$9,471,207
Unemployment Comp	101,416	397,743	405,343	413,043	420,943
Total BWC & UC Estimates	$8,568,302	$9,346,950	$9,525,550	$9,706,500	$9,892,150

D) Medicare

Medicare will continue to increase at the rate of increase of wages. Contributions are 1.45% for all new employees to the district on or after April 1, 1986. These amounts are growing at the general growth rate of wages.

Source	FY16	FY17	FY18	FY19	FY20
Base Costs	$5,052,929	$5,397,266	$5,569,633	$5,716,547	$5,825,567
YoY Change	145,809	0	0	0	0
Other Staff Changes	0	12,829	(17,400)	(17,400)	(17,400)
Total Medicare Estimate	$5,198,738	$5,410,095	$5,552,233	$5,699,147	$5,808,167

Summary of Fringe Benefits – Line #3.020

Source	FY16	FY17	FY18	FY19	FY20
STRS/SERS	$56,663,145	$56,178,030	$57,265,021	$58,352,901	$59,468,911
Insurance's	92,047,002	96,824,530	101,428,157	106,261,965	118,337,463
Workers Comp & Unemployment	8,568,302	9,346,950	9,525,550	9,706,500	9,892,150
Medicare	5,198,738	5,410,095	5,552,233	5,699,147	5,808,167
Other/Tuition	198,244	198,244	198,244	198,244	198,244
Fringe Benefit Total Line 3.020	$162,675,431	$167,957,849	$173,969,205	$180,218,757	$193,704,935

Purchased Services – Line #3.030

Expenditures in this category include: instructional services, instructional improvement services, health services, data processing services, professional/legal services, garbage removal, repairs and maintenance services, rentals, property insurance, lease-purchase agreements, meeting and mileage expenses, telephone expenses, postage, advertising, utilities, and tuition paid to other districts. Amounts paid for personal services rendered by personnel who are not on the payroll of the school district, and other services that the school district may purchase. Most significantly, this category includes payments to Community Schools, Peterson Scholarship, Autism scholarship and ongoing costs for the Ed Choice Voucher program. These cost will rise significantly under HB64 as the scholarship was $20,000 in FY15 and will be $27,000 in FY16 and beyond. If there are new laws enacted in the future to expand choice it is certain costs for these programs will increase over the next several years.

Community School Enrollment - We are adjusting projections for FY16 to account for the increase noted above as well as projecting an additional 1,300 students each year leaving the district.

Ed Choice Vouchers - We are projecting a loss of 400 students due to the Educational Choice (Voucher) program in FY15. We project an additional 400 students each year leaving the district.

On August 8, 2012 the Public Utility Commission of Ohio (PUCO) issued a modified electric security plan (ESP) for American Electric Power (AEP) to establish generation rates through May 2015. Base electric rates are frozen at this time; however riders that will be implemented are expected to increase rates on average from 5% to 7% starting September 2012 with a 12% cap on increases. We have estimated a rate of 5.0% for electric in FY16.

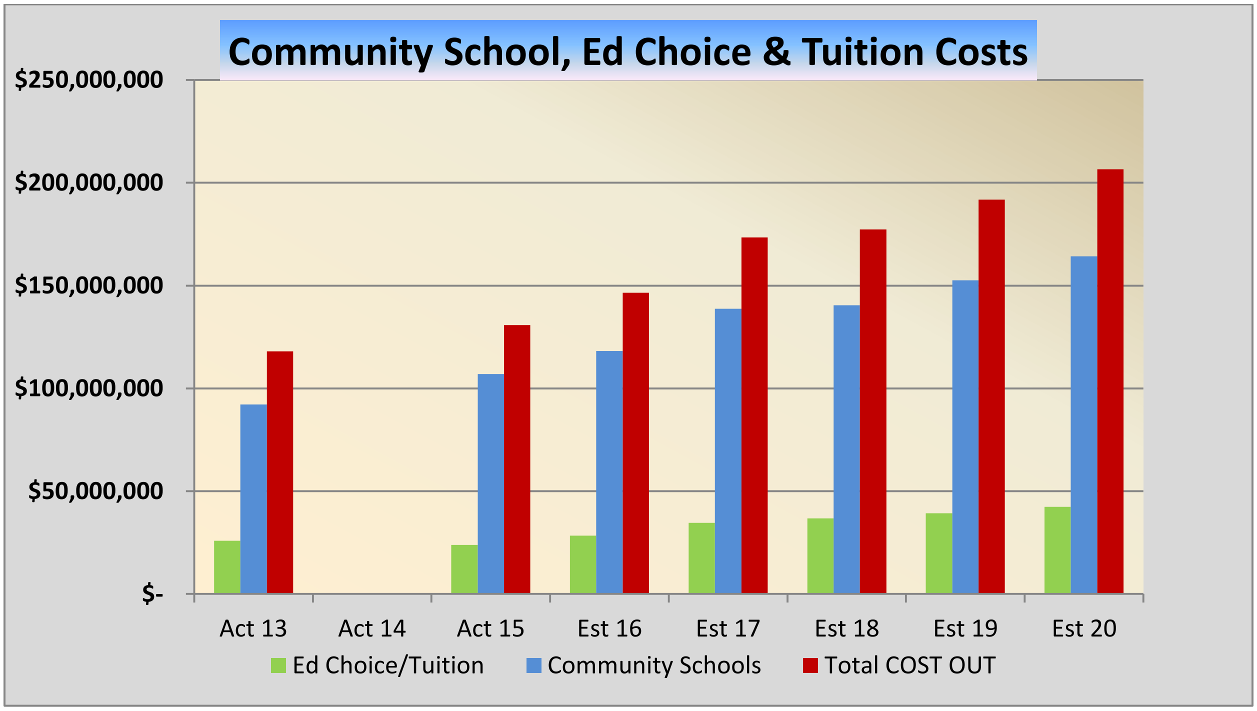
FY16 has been projected for the balance of the fiscal year based on year to date actual and expectations for the remainder of the year. For FY17 and beyond these costs are taken directly from the FY17 five year budget document presented to the finance and appropriations committee and the board on March 7, 2016. The preparation of this budget was based on a modified-zero based model and is value driven focused on programmatic needs and aspirations. For more information please see: http://www.boarddocs.com/oh/columbus/Board.nsf/goto?open&id=A7QPZB5911EF

Category	FY16	FY17	FY18	FY19	FY20
Community School	$136,772,382	$140,509,709	$152,499,605	$164,281,534	$176,436,621
Est. Increase	3,737,327	11,989,896	11,781,929	12,155,087	12,537,831
Estimated Community School	$140,509,709	$152,499,605	$164,281,534	$176,436,621	$188,974,452
Estimated New Students	479	1,400	1,300	1,300	1,300
Estimated Amount per Student	7,800	7,800	7,800	7,800	7,800
Ed Choice Voucher/STEM	24,003,625	24,340,635	26,953,666	29,634,400	32,369,511
Est. Increase	337,010	2,613,031	2,680,734	2,735,111	2,790,351
Estimated Voucher Costs	$24,340,635	$26,953,666	$29,634,400	$32,369,511	$35,159,862
					-
Estimated New Students	400	400	400	400	400
Estimated Amount per Student	**$5,173**	**$5,173**	**$5,173**	**$5,173**	**$5,173**

Summary Purchased Services –Line #3.030

Source	FY16	FY17	FY18	FY19	FY20
Other	$25,051,022	$38,600,874	$39,492,151	$38,697,821	$39,980,614
Tuition to Other Districts 471,474,475,477	12,453,326	12,364,874	12,735,820	13,117,894	13,511,431
Community School 478	140,509,709	152,499,605	164,281,534	176,436,621	188,974,452
EdChoice Voucher, STEM 479	24,340,635	26,953,666	29,634,400	32,369,511	35,159,862
Utilities 441,451,452,453	15,478,018	19,397,137	20,384,412	20,797,304	21,375,713
Total Line 3.030	$217,832,710	$249,816,156	$266,528,317	$281,419,151	$299,002,072

Our Students Leave the District Taking Nearly 19 mills of Operating Revenue to Other Schools



Supplies and Materials – Line #3.040

Amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorated from use, or items that lose their identity through fabrication or incorporation into different or more complex units or subunits. Expenditures in this category include: instructional supplies, office supplies, teaching aides, software materials, textbooks, library books, newspapers, periodicals, supplies and materials for the operation, maintenance and repair of land, buildings, equipment and furniture. FY16 has been projected for the balance of the fiscal year based on year to date actual and expectations for the remainder of the year. For FY17 and beyond these costs are taken directly from the FY17 five year budget document presented to the finance and appropriations committee and the board on March 7, 2016. The preparation of this budget was based on a modified-zero based model and is value driven focused on programmatic needs and aspirations. For more information please see: http://www.boarddocs.com/oh/columbus/Board.nsf/goto?open&id=A7QPZB5911EF

Source	FY16	FY17	FY18	FY19	FY20
Supplies	$21,098,271	$26,443,774	$26,039,271	$27,552,841	$28,437,285

Equipment – Line # 3.050

Expenditures for the acquisition of or addition to fixed assets and replacement of any item previously coded as new capital outlay. has been projected for the balance of the fiscal year based on year to date actual and expectations for the remainder of the year. For FY17 and beyond these costs are taken directly from the FY17 five year budget document presented to the finance and appropriations committee and the board on March 7, 2016. The preparation of this budget was based on a modified-zero based model and is value driven focused on programmatic needs and aspirations. For more information please see:
http://www.boarddocs.com/oh/columbus/Board.nsf/goto?open&id=A7QPZB5911EF

Source	FY16	FY17	FY18	FY19	FY20
Capital Outlay	$4,370,517	$10,715,861	$4,758,504	$5,139,291	$3,759,726

Other Expenses – Line #4.300
This category includes expenditures for memberships in professional organizations, charges for audit examinations, county auditor and treasurer fees, election expenses, charges for advertising the delinquent tax list, bank charges, liability insurance, accident insurance, fidelity bonds, and legal judgments against the district, back pay and awards. As with other non-personnel items, FY16 has been projected for the balance of the fiscal year based on year to date actual and expectations for the remainder of the year. For FY17 and beyond these costs are taken directly from the FY17 five year budget document presented to the finance and appropriations committee and the board on March 7, 2016. The preparation of this budget was based on a modified-zero based model and is value driven focused on programmatic needs and aspirations. For more information please see:
http://www.boarddocs.com/oh/columbus/Board.nsf/goto?open&id=A7QPZB5911EF
We didn't have significant changes in this area except that $6,000,000 was included in FY14 for contingency funds for unanticipated expenditures. However, for FY15 and thereafter, the $6 million of contingency funds appear separately on line 9.030.

Source	FY16	FY17	FY18	FY19	FY20
Property Tax Coll. 840	$7,945,943	$5,099,476	$5,405,323	$5,738,319	$5,967,640
Other expenses	849,195	750,000	750,000	750,000	750,000
Total Line 4.300	$8,795,138	$5,849,476	$6,155,323	$6,488,319	$6,717,640

Transfers Out/Advances Out/All Other Financing Uses – Lines# 5.010, 5.020 & 5.030
This account group covers fund to fund transfer (such as for athletic programs) and end of year short term loans from the General Fund to other funds until they have received reimbursements and can repay the General Fund. These accounts can also support food service program shortfalls.

Source	FY16	FY17	FY18	FY19	FY20
Operating Transfers Out Line #5.010					
Athletics Transfer	$642,800	$642,800	$642,800	$642,800	$642,800
Bus Transfer	$2,581,804	$3,057,200	$3,057,200	$3,057,200	$3,057,200
Operating Transfers Out Line #5.010	$3,224,604	$3,700,000	$3,700,000	$3,700,000	$3,700,000
Advances Out Line #5.020	$10,082,484	$20,000,000	$20,000,000	$20,000,000	$20,000,000
Total	$13,307,088	$23,700,000	$23,700,000	$23,700,000	$23,700,000

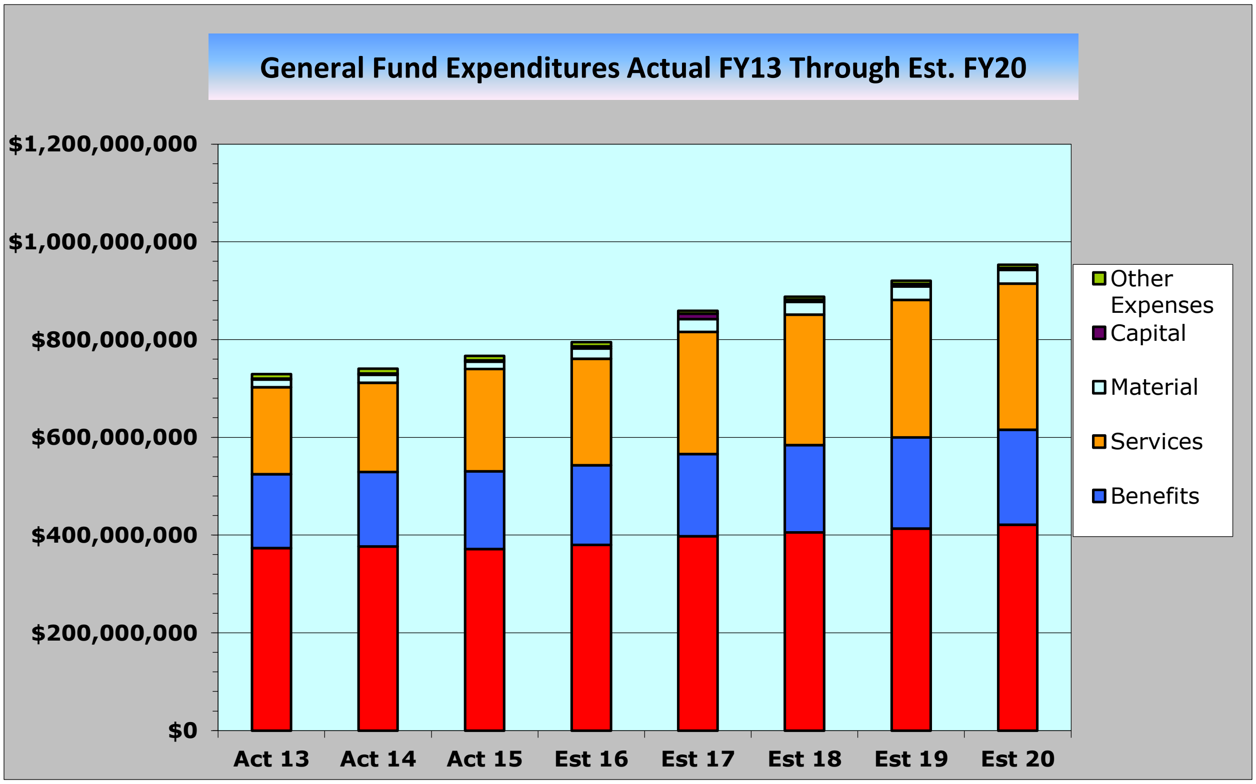
General Fund Debt Service Payments – Lines# 4.020; 4.030; 4.040; 4.050; 4.055; 4.060
On line 4.055 we are paying a new Qualified School Construction Bond (QSCB) debt issued in 2011 to renovate Stewart Elementary School due to a fire in 2011. The interest is supported by a Federal subsidy to lower net borrowing cost. Beginning in FY14 and lasting through FY18 the district will be paying $2.4 - $2.5 million a year for tax anticipation notes to buy new busses to commence in-sourcing transportation in FY14.

Source	FY16	FY17	FY18	FY19	FY20
School bus TANS #4.020	$2,370,000	$2,325,000	$2,370,000	$2,430,000	$2,520,000
Principal State Loans Line #4.030	$0	$0	$0	$0	$0
Principal State Advances Line #4.040	$0	$0	$0	$0	$0
Principal QSCB Line # 4.055	657,665	657,665	657,665	657,665	657,665
Total Principal Payments	$3,027,665	$2,982,665	$3,027,665	$3,087,665	$3,177,665

INTEREST AND FISCAL CHARGES – Line #4.060

Source	FY16	FY17	FY18	FY19	FY20
Interest on TANS Total Line 4.060	$1,211,472	$1,168,944	$1,117,256	$1,041,719	$1,041,719

General Fund Expenditures By Object Code Actual FY12 Through Estimated FY20



<u>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses – Line # 6.01</u>

Line 6.01 of the forecast shows the amount of revenue over/(under) expenses. This line shows the equivalent of a profit or loss statement similar to a business enterprise, only on a cash basis. A school district, like a business, cannot continue to spend more than it receives long term unless operating parameters change. The District is projected to start spending more than it is taking in during FY16.

Source	FY16	FY17	FY18	FY19	FY20
Total Revenues over/(under) Total Expenses	($14,157,004)	($53,204,977)	($66,279,238)	($74,247,709)	($78,306,760)

Encumbrances –Line#8.010

These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered. Estimates based on historical data.

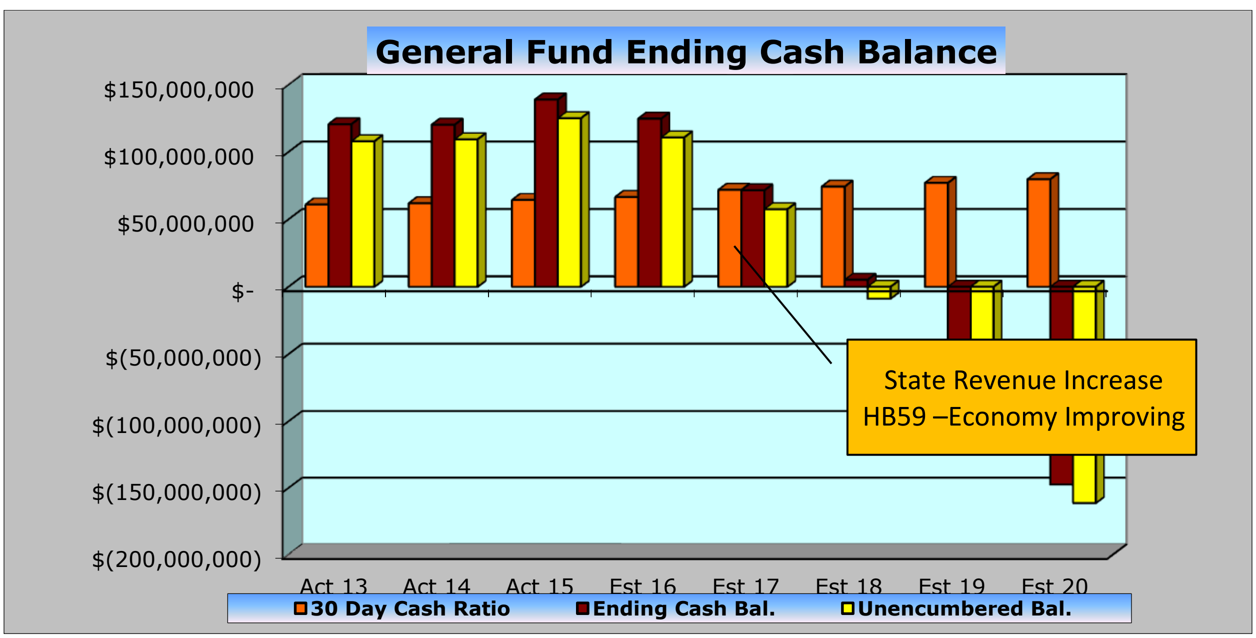
	FY16	FY17	FY18	FY19	FY20
Estimated Encumbrances	$8,000,000	$8,000,000	$8,000,000	$8,000,000	$8,000,000

Reservations of Fund Balance – Line #9.080
Columbus City School District is establishing a budget reserve for $6,000,000 annually beginning in FY15 and will continue this amount through FY20 to account for unforeseen expenses.

Ending Unencumbered Cash Balance " The Bottom Line" – Line # 15.010
This amount must not go below $-0- or the district General Fund will violate all Ohio Budgetary Laws. Any multi-year contract which is knowingly signed which results in a negative unencumbered cash balance is a violation of 5705.412, ORC punishable by personal liability of $10,000. Ending unreserved cash balances will fall below 30 days of operating capital beginning in FY17. A one month supply of cash is a minimum amount a school district should carry at year end.

With revenues expected to decrease from FY15 levels and expenditures above the operating revenue, our ending cash balance is anticipated to be lower in FY16. The ending unreserved cash balance on Line 15.010 of the forecast is anticipated to be positive through 2017 if assumptions we have made for a minimum of 7.5% increase state aid were to occur and state reimbursements for tangible personal property are phased-out through FY18.

General Fund Unreserved Ending Cash Balance Actual FY13 Through Estimated FY20



Summary of General Fund Revenue, Expenditures and Ending Balances