Columbus City Schools

Franklin County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2012, 2013 and 2014 Actual;
Forecasted Fiscal Years Ending June 30, 2015 Through 2019

		Actual				Forecasted				
		Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Average Change	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
	Revenues									
1.010	General Property Tax (Real Estate)	396,078,906	395,138,208	401,210,418	0.6%	403,296,445	407,610,392	408,717,411	410,065,398	411,472,453
1.020	Tangible Personal Property	788,868	595,836	198,314	-45.6%	79,326	31,730	12,692	5,077	2,031
1.030	Income Tax	-	-	-	0.0%	0	0	0	0	0
1.035	Unrestricted State Grants-in-Aid	231,801,718	239,732,574	244,995,925	2.8%	245,251,665	243,761,015	262,476,138	275,179,468	288,516,415
1.040	Restricted State Grants-in-Aid	1,824,910	1,665,354	16,869,615	452.1%	46,566,586	48,894,915	51,339,661	53,906,644	56,601,977
1.045	Restricted Fed. Grants-- SFSF FY11/EdJobs FY12	6,772,086	1,117,892	665,638	-62.0%	479,981	479,981	479,981	479,981	479,981
1.050	Property Tax Allocation	75,794,969	61,829,202	62,236,075	-8.9%	62,519,221	53,857,474	45,345,177	35,779,287	32,959,687
1.060	All Other Revenues	11,840,262	18,725,446	18,478,560	28.4%	17,607,614	17,560,000	17,560,000	17,560,000	17,560,000
1.070	*Total Revenues*	724,901,719	718,804,512	744,654,545	1.4%	775,800,838	772,195,508	785,931,060	792,975,855	807,592,544
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	-	1,360,123	-	0.0%	-	-	-	-	-
2.020	State Emergency Loans and Advancements (Approved)	-	-	-	0.0%	-	-	-	-	-
2.040	Operating Transfers-In	1,066,095	9,728,360	1,031,675	361.6%	4,779,208	3,981,258	3,981,258	3,981,258	3,981,258
2.050	Advances-In	36,167,593	59,864,546	16,540,843	-3.4%	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
2.060	All Other Financing Sources	205,262	136,597	149,755	-11.9%	2,535,660	150,000	150,000	150,000	150,000
2.070	*Total Other Financing Sources*	37,438,950	71,089,626	17,722,273	7.4%	27,314,868	24,131,258	24,131,258	24,131,258	24,131,258
2.080	*Total Revenues and Other Financing Sources*	762,340,669	789,894,138	762,376,818	0.1%	803,115,706	796,326,766	810,062,318	817,107,113	831,723,802
	Expenditures									
3.010	Personal Services	$376,780,334	$373,375,844	$376,663,569	0.0%	$373,000,000	$383,769,333	$397,608,451	$410,985,440	$420,668,384
3.020	Employees' Retirement/Insurance Benefits	$149,112,859	$151,216,766	$152,534,066	1.1%	$158,031,835	$164,346,402	$167,964,223	$179,587,106	$186,941,706
3.030	Purchased Services	$168,459,780	$177,992,375	$182,297,782	4.0%	$207,750,973	$225,531,676	$240,146,816	$254,872,513	$269,713,865
3.040	Supplies and Materials	15,292,482	15,530,933	16,776,217	4.8%	16,159,504	16,991,895	17,501,652	18,026,702	18,567,503
3.050	Capital Outlay	2,140,163	2,264,929	2,296,026	3.6%	2,364,907	2,552,494	2,629,069	2,707,941	2,789,179
3.060	Intergovernmental	-	-	-	0.0%					
	Debt Service:				0.0%					
4.010	Principal-All (Historical Only)	910,000	925,000	-	-49.2%	-	-	-	-	-
4.020	Principal-Notes	-	-	-	0.0%	$3,280,000	$2,370,000	$2,325,000	$2,370,000	$2,430,000
4.030	Principal-State Loans	-	-	-	0.0%	-	-	-	-	-
4.040	Principal-State Advancements	-	-	-	0.0%	-	-	-	-	-
4.050	Principal-HB 264 Loans	-	-	$965,000	0.0%	$775,000	$0	$0	$0	$0
4.055	Principal-Other	-	1,315,330	657,665	0.0%	657,665	657,665	657,665	657,665	657,665
4.060	Interest and Fiscal Charges	674,994	656,794	1,284,977	46.5%	1,272,994	1,211,519	1,168,944	1,117,256	1,041,719
4.300	Other Objects	6,437,802	8,571,241	9,909,067	24.4%	9,318,167	10,587,722	10,710,079	10,834,155	10,959,980
4.500	*Total Expenditures*	719,808,414	$731,849,212	743,384,369	1.6%	772,611,045	808,018,706	840,711,899	881,158,778	913,770,001
	Other Financing Uses									
5.010	Operating Transfers-Out	$2,967,765	$7,902,964	$1,674,475	43.7%	$5,422,300	$5,175,825	$5,088,250	$5,081,563	$5,066,025
5.020	Advances-Out	36,749,074	49,243,133	$17,723,535	-15.0%	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
5.030	All Other Financing Uses	12,048	-	$1,529	0.0%	$0	$0	$0	$0	$0
5.040	*Total Other Financing Uses*	39,728,887	57,146,097	19,399,539	-11.1%	25,422,300	25,175,825	25,088,250	25,081,563	25,066,025
5.050	*Total Expenditures and Other Financing Uses*	759,537,301	788,995,309	762,783,908	0.3%	798,033,345	833,194,531	865,800,149	906,240,341	938,836,026
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	2,803,368	898,829	(407,090)	-106.6%	5,082,361	(36,867,765)	(55,737,831)	(89,133,228)	(107,112,224)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	116,903,264	119,706,632	120,605,461	1.6%	120,198,371	125,280,732	88,412,966	32,675,136	(56,458,092)
7.020	*Cash Balance June 30*	119,706,632	120,605,461	120,198,371	0.2%	125,280,732	88,412,966	32,675,136	(56,458,092)	(163,570,316)
8.010	*Estimated Encumbrances June 30*	7,403,907	12,685,185	10,823,622	28.3%	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*	112,302,725	107,920,276	109,374,749	-1.3%	111,280,732	74,412,966	18,675,136	(70,458,092)	(177,570,316)

Columbus City Schools

Franklin County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2012, 2013 and 2014 Actual;
Forecasted Fiscal Years Ending June 30, 2015 Through 2019

		Actual				Forecasted				
		Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Average Change	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
	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*	112,302,725	107,920,276	109,374,749	-1.3%	111,280,732	74,412,966	18,675,136	(70,458,092)	(177,570,316)
	Revenue from New Levies									
13.010	Income Tax - New	-	-	-	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%	-	-	-	-	-
15.010	*Unreserved Fund Balance June 30*	112,302,725	107,920,276	109,374,749	-1.3%	111,280,732	74,412,966	18,675,136	(70,458,092)	(177,570,316)

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, 2012, 2013, 2014 FORECASTED FISCAL YEARS ENDING JUNE 30, 2015 THROUGH 2019

Columbus City Schools

Forecast Provided By

Columbus City Schools

Treasurer's Office

Stanley Bahorek, Treasurer CFO

May 19, 2015

Columbus City School District – Franklin County
Notes to the Five Year Forecast
General Fund Only
May 10, 2015

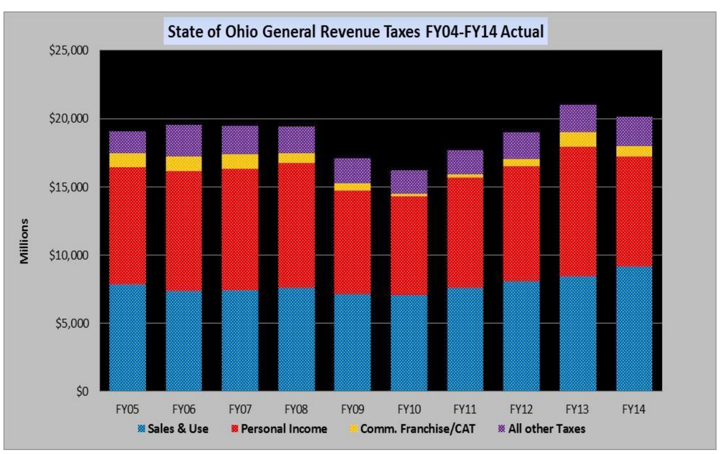
Introduction to the Five Year Forecast

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 2015 (July 1, 2014-June 30, 2015) is the first year of the five year forecast and is considered the baseline year. Our forecast is being updated to reflect the most current economic data for the May 2015 filing.

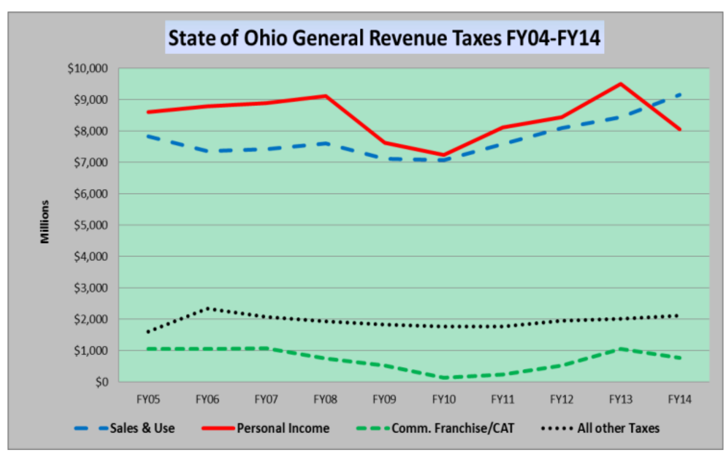
Economic Environment Affecting Forecast Variables –State Economy

It is important in long range forecasting to consider the economic framework in which projections of revenues are made. Below is significant statewide economic data which suggests that the economy for the FY15-19 period is growing moderately and has recovered from the Great Recession of 2008. It is important for our school district to consider the statewide economic data for two reasons. One, our state funding is directly affected by state revenue collections. The effects of the recession on the economy at the state level created a budget deficit which required the State of Ohio to make nearly $8 billion in reductions in the FY12-FY13 state biennium budget which translated into flat funding and/or funding reductions for nearly every school district in Ohio. Second, is that the same economic forces which are driving the recovery of state tax revenues are also likely affecting the underlying economics of most communities in Ohio which directly impacts the ability to collect local tax revenue. Generally speaking local school district economic viability is tied to the same fundamental economics that drive the state's economic viability.

The graphs below note that the State of Ohio revenues through FY14 have recovered and exceeded FY08 total tax revenue levels. The two significant contributors to the economic recovery continue to be personal income taxes and sales and use taxes. The decline in personal income tax of ($1.442) billion and corporate franchise taxes of ($273.3) million is due to HB59's across-the-board reductions in income and corporate franchise tax rates which began in FY14.



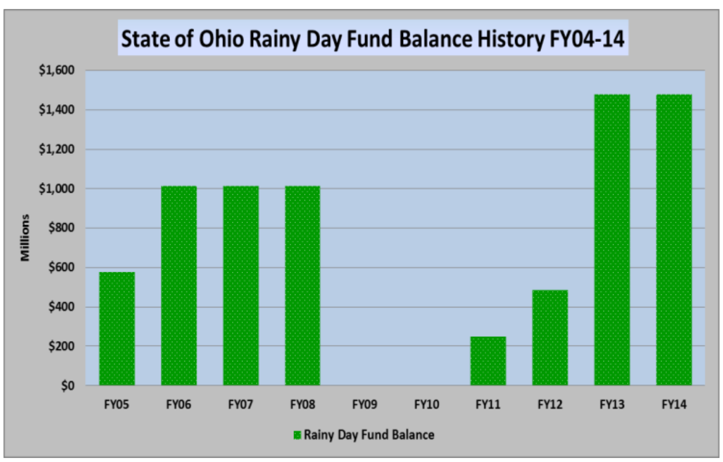
Source: Ohio Legislative Service Commission



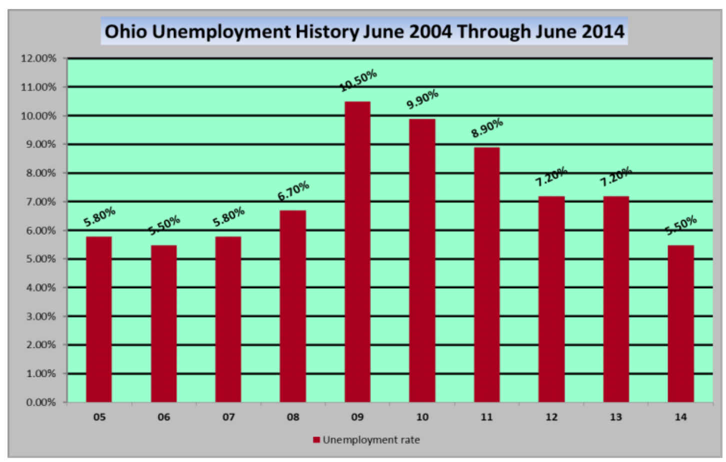
Source: Ohio Legislative Service Commission

The recovery of the labor market which began in 2010 continued in 2014 as noted in both personal income tax and sale tax collections. The above State revenue is a clear indication that the economy has recovered and that there is economic growth in the state. Another indication that the state of Ohio has achieved solid footing economically is the accumulation of reserves in the State Rainy Day Fund (RDF). The graph below shows the ten-year history of the Rainy Day Fund balance. The recession depleted the RDF in FY09. FY11 began the recovery of the economy and enabled the state to contribute excess revenues to the RDF. As noted the RDF balance in FY14 has reached an all-time record high deposit of $1.478 billion and will exceed the funds statutory target balance in FY15 based on expenditure estimates. This cushion should continue to help ensure that funding for schools approved in the recent state biennium budget HB59 will be met through FY15 and could be continued into the future if a brief pull back in the economy occurs over the next few years.

The state of Ohio's unemployment rate hit 5.5% in June 2014. The last time it was at this level was in April 2007. Over the past 12 months the unemployment rate dropped 1.9% as 46,800 new jobs were created. This is a significant measure to monitor for continued economic growth and viability. As noted above personal income taxes and sales tax are highly correlated and have been the two major drivers of the recent recovery. As of June 2014 the unemployment rate in Franklin County was 4.8% which is below the 5.5% state average.



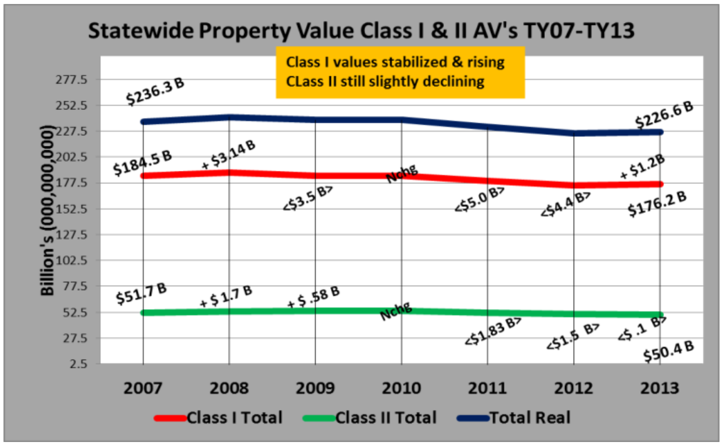
Source: Ohio Legislative Service Commission



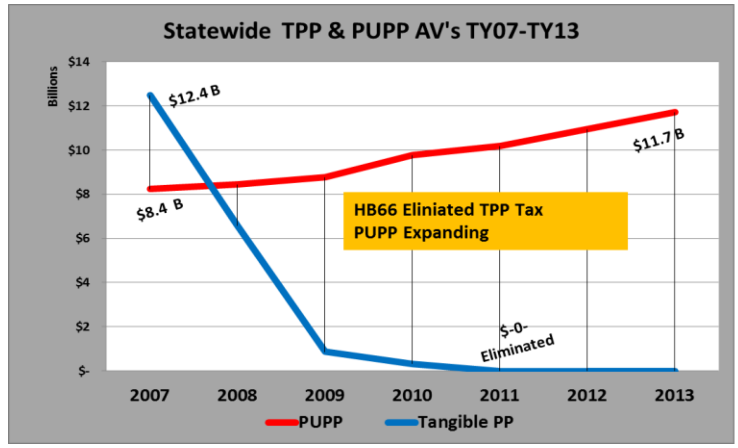
Source: U.S. Bureau of Labor Market Information

For school districts a final piece of economic data which is highly relevant is the value of real property. In the 2013 Tax Year 23 of Ohio's 88 counties went through a reappraisal or update for Class 1 (Residential and Agricultural Property) and Class 2 (Commercial, Industrial and Mineral Property). From tax year 2007 to 2012 Class 1 and 2 property values declined by $10.8 billion, a reduction of 4.6%. In 2013 Class 1 values rose for the first time since 2008 by $1.2 billion, while Class 2 property is still decreasing but at a much slower pace of $103.3 million. Home values for the 12 month period ending in May 2014 were up statewide by 2.9%. Clearly property values have, on average, stabilized and should begin to rise at varying levels across the state.

The final category of property is Public Utility Personal Property (PUPP) values. The graph below shows that Tangible Personal Property (TPP) was eliminated for all categories of TPP in tax year 2011 by HB66 which became effective July 1, 2005. PUPP values continued to grow throughout the Great Recession due in part to continued new construction, reinvestment in aging infrastructure and development of natural gas and petroleum transmission lines across the state. PUPP values are of higher value as they are taxed at the full gross tax rate.

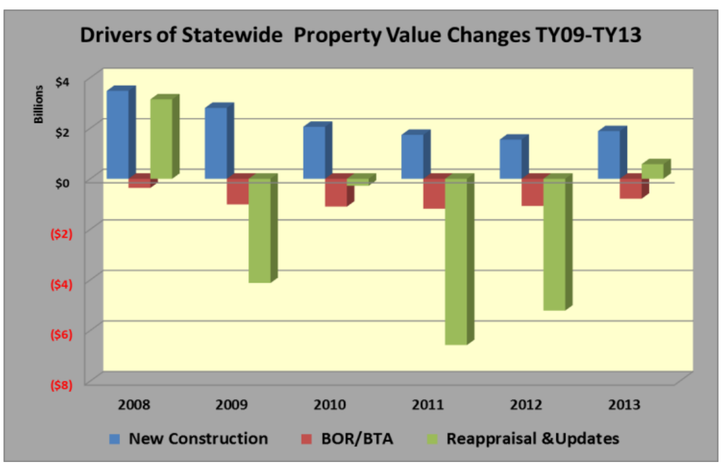


Source: Ohio Department of Taxation



Source: Ohio Department of Taxation

The graph below sums up the main drivers of property value changes across the state for Tax Year 2009 through 2013. The changes noted below are for Class 1 and 2 property values. Note that new construction is picking up, reappraisal and update values have moved from negative to positive (Class 1 property only) and Board of Revision/Board of Tax appeals property value changes are trending down from record levels the previous four tax years.



Overall, we believe the economic recovery of the state is stable and the economy is clearly showing improvement. This should provide a stable basis for which to make projections of state revenues to the district as noted in HB59 through FY15 and continuing through FY19 in future state budgets. The improving labor market is also providing for a recovery in property tax collections in this forecast by: 1) stabilizing or slowing declining property values; 2) increasing current property tax collections; and, 3) increasing prior delinquent tax collections.

Source: Ohio Department of Taxation

Forecast Risks and Uncertainty:

Our financial forecast is laden with risks and uncertainty not only due to economic uncertainties but also due to volatility of the legislative changes that have been proposed as part of the deliberations of the next state biennium budget for FY16 & FY17. 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. The State Budget represents nearly 46% of district revenues. It is clearly a significant area of risk. The risk comes in FY16 and beyond if the state economy worsens or if the state funding formula is changed in a way that reduces funds to our district.

II. The State Budget greatly reduced Tangible Personal Property (TPP) fixed rate reimbursements to the district in FY12 and FY13. HB153, the FY12-13 State Budget bill, promised to pay highly reliant districts like ours the TPP reimbursement at the FY13 level into the future. HB59, the current State Budget bill, continues this reimbursement through FY15. The Governor's budget as well as the House budget resume the phase-out of this reimbursement. The House version does include a hold harmless but it will not apply to our District. We have included this reduction in the current version of the forecast.

III. There are many provisions in the current state budget bill HB59 that will increase the district expenditures in the form of expanded EdChoice Scholarships in the 2016-17 school years and the new Income Base-Based Voucher Program in FY14. The District anticipates spending $24M on vouchers including the Peterson special education voucher and the Autism voucher. These costs have increased significantly this year. 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.

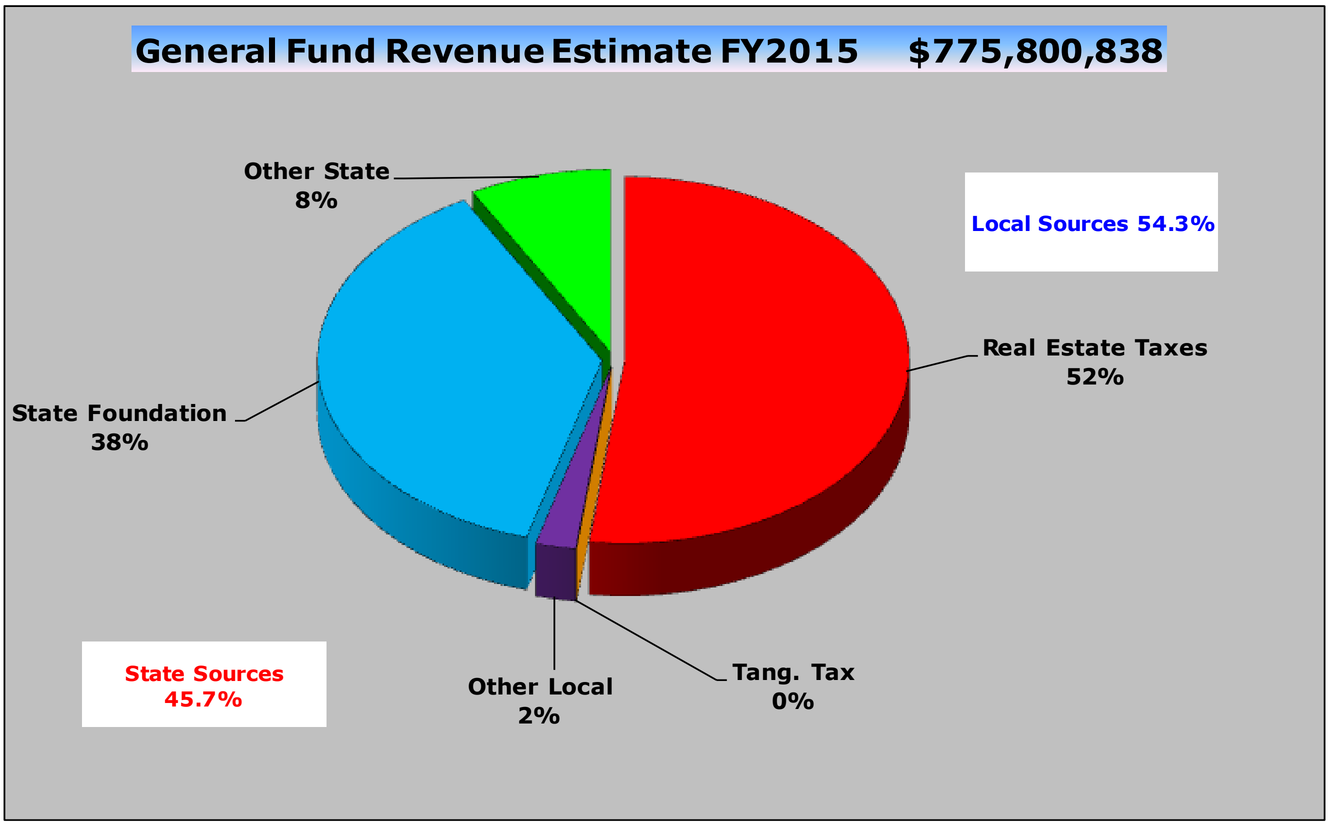
IV. Patient Protection and Affordable Care Act (PPACA) – This program was approved March 23, 2010 along with the Health Care and Education Reconciliation Act. Many of the provisions of this federal statute were supposed to be implemented January 1, 2014 but were delayed by the IRS on July 2, 2013 until January 1, 2015. We are aware of additional taxes that will be assessed on the district January 1, 2015, which could increase costs by as much as 2%. 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. 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 614-365-6400.

Revenue Assumptions

Estimated General Fund Operating Revenues for FY 15



Real Estate Value Assumptions – Line # 1.010

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%). 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 and commercial property values continued to decline overall in 2014 for collection in 2015 based on the latest tax abstract data. The good news is that the decline of residential and 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 $11.4 million increase in public utility personal property (PUPP) values. This represents a 4.01% 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 2013 tax year (June 2014). 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

	Actual	Estimated	Estimated	Estimated	Estimated
	TAX YEAR2014	TAX YEAR2015	TAX YEAR2016	TAX YEAR2017	TAX YEAR2018
Classification	COLLECT2015	COLLECT2016	COLLECT 2017	COLLECT 2018	COLLECT 2019
Res./Ag.	$4,954,790,240	$4,947,290,240	$4,944,790,240	$4,972,014,192	$4,974,514,192
Comm./Ind.	3,593,145,380	3,583,145,380	3,578,145,380	3,591,036,106	3,586,036,106
Utility Pers. Prop. (PUPP)	285,198,030	295,198,030	305,198,030	315,198,030	325,198,030
Total Assessed Values	$8,833,133,650	$8,825,633,650	$8,828,133,650	$8,878,248,328	$8,885,748,328

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.

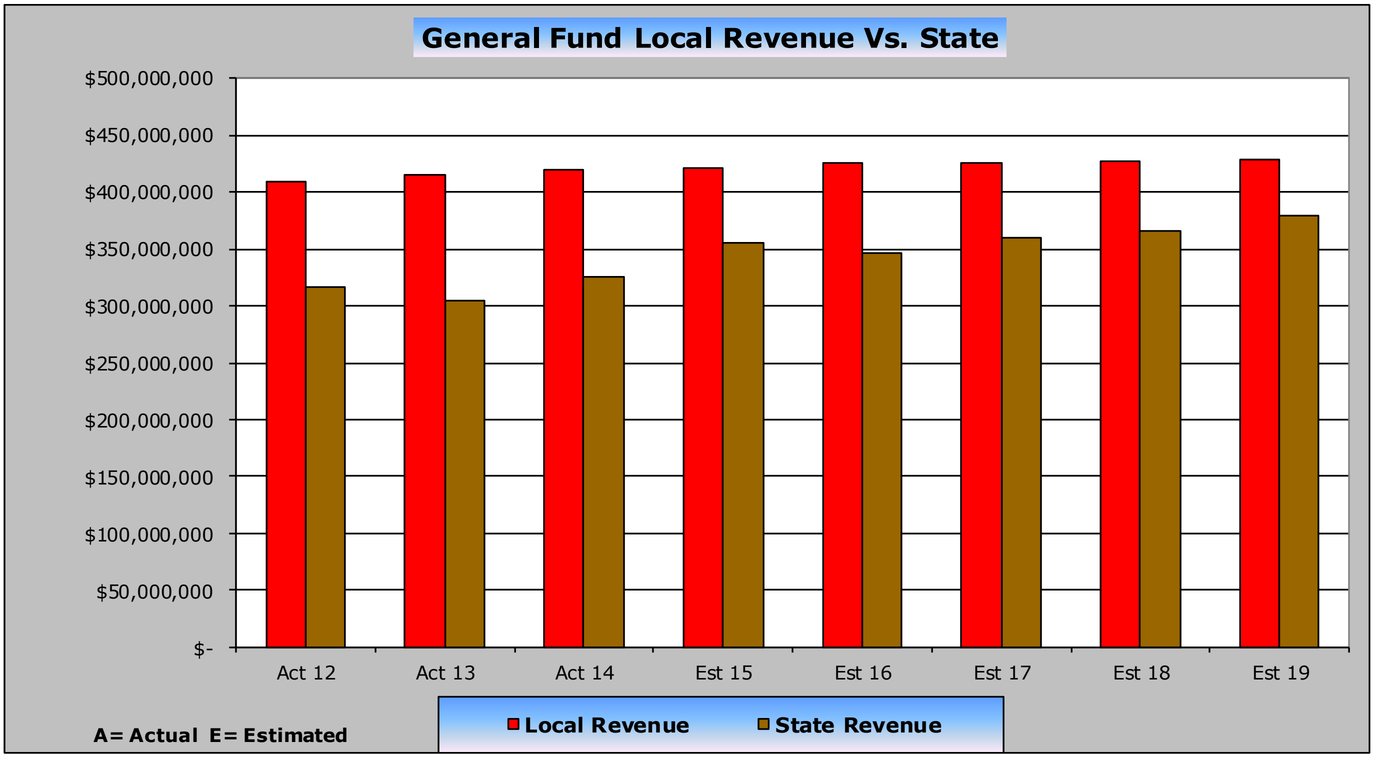
Source	FY15	FY16	FY17	FY18	FY19
Est. Real Estate Taxes	$403,296,445	$407,610,392	$408,717,411	$410,065,398	$411,472,453

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.

Source	FY15	FY16	FY17	FY18	FY19
Tangible Personal Property	$79,326	$31,730	$12,692	$5,077	$2,031
Total Line # 1.020	$79,326	$31,730	$12,692	$5,077	$2,031

General Fund State and Local Revenue Share



State Foundation Revenue Estimates – Lines #1.035; #1.040; and, Line #1.045
The amounts estimated for FY15 through FY19 for state funding is based on funding component computations from the most recent April 2015 State Foundation Payment Report calculation.

In FY14-15 HB59 is using the fourth (4^{th}) new funding formula for public education since 2009. The new funding formula has a new method to measure a district's wealth and capacity to raise local revenue. The new wealth measure is called the State Share Index (SSI). 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, or one or more of the other three (3) indexes, are applied in determining need on the nine (9) separate components that constitute state aid in FY14 and FY15. The nine (9) components of the new funding model are:

1) Opportunity Grant – Per pupil amount $5,745 in FY14 and $5,800 in FY15
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 $5.00 in FY14 and $5.05 in FY15
8) Career-Technical Education Funds – Based on career technical average daily membership and five (5) categories students enrolled in
9) Transportation Aid – Funding based only on greater of per rider or per mile costs for each district. A supplemental payment for districts that have a SSI of .5 or greater and pupil density at of below the state median

The District is on the CAP in FY15 we will receive a 10.5% increase in state basic aid over FY14.

We believe that we will still be funded on the CAP (below the formula amount) in FY16 and FY17 provided the current funding formula continues in the next biennium budget. We believe the district will receive additional funds for the period FY16 through FY18. We have estimated an increase in the CAP amount of **5%** each year, but this amount could be higher or lower. There is no guidance on the state funding model or increases for the FY16-17 biennium budget at this time. We are also estimating this amount conservatively as the state may reduce TPP reimbursements in the FY16&17 biennium budget.

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 to $1.1 billion, as revenues from casinos are falling off. 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 FY15 payments of $50.34 per pupil. For FY16-19 the amount will increase modestly as enrollment declines and stable casino revenues will allow for an increase in the amount per pupil. We are estimating an increase in per pupil funding of 3% for FY16-19.

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

Basic Aid- Per	**$235,290,644**	**$233,719,463**	**$252,351,484**	**$264,969,058**	**$278,217,511**
Pre School Spec Ed Transportation	7,449,486	7,449,486	7,449,486	7,449,486	7,449,486
Subtotal State Basic Aid	$242,740,130	$241,168,949	$259,800,970	$272,418,544	$285,666,997
Casino Revenue	25	2,592,066	2,675,168	2,760,924	2,849,418
Total Unrestricted State Aid Line # 1.035	$245,251,665	$243,761,015	$262,476,138	$275,179,468	$288,516,415
	-	-	-	-	-

B) Restricted State Revenues – Line # 1.040

The Economically Disadvantaged Aid has changed significantly since the October forecast. This is the result of an increase in our reporting of students in the category from 61% to 90%. This decreases the unrestricted state basic aid and results in no additional income for the District. The amount of the Economically Disadvantaged Aid is estimated to grow by 5% each remaining year of the forecast.

Source	FY15	FY16	FY17	FY18	FY19
Econ. Disadvantaged Aid	$45,099,074	$47,354,027	$49,721,729	$52,207,815	$54,818,206
Career Tech - Restricted	1,467,513	1,540,888	1,617,933	1,698,829	1,783,771
Total Restricted State	$46,566,586	$48,894,915	$51,339,661	$53,906,644	$56,601,977

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Total Restricted State	$46,566,586	$48,894,915	$51,339,661	$53,906,644	$56,601,977

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	FY15	FY16	FY17	FY18	FY19
IRS QSCB Interest credit	$479,981	$479,981	$479,981	$479,981	$479,981
Total Line # 1.045	**$479,981**	**$479,981**	**$479,981**	**$479,981**	**$479,981**

SUMMARY OF STATE FOUNDATION REVENUES

Source	FY15	FY16	FY17	FY18	FY19
Unrestricted Line # 1.035	$245,251,665	$243,761,015	$262,476,138	$275,179,468	$288,516,415
Restricted Line # 1.040	46,566,586	48,894,915	51,339,661	53,906,644	56,601,977
Restricted - Line #1.045	479,981	479,981	479,981	479,981	479,981
Total State Foundation	$292,298,232	$293,135,912	$314,295,780	$329,566,093	$345,598,373

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	FY15	FY16	FY17	FY18	FY19
Rollback and Homestead	$32,990,007	$32,857,676	$32,874,794	$32,913,542	$32,959,687

b) Tangible Personal Property Reimbursements – Fixed Rate

These amounts reflect the state’s reimbursement of tangible personal property tax that was phased out in HB66. HB153 the previous state budget dramatically changed this revenue as Columbus City Schools qualifies as highly reliant district on TPP funds. As a result we saw a reduction in FY12 and FY13 but instead of phasing out TPP altogether by FY18, HB153 says funding will remain at the FY13 levels through FY26. The current state budget HB59 continues these payments for FY14 and FY15. The Governor’s budget proposal as well as that of the House will phase out this source of revenue over the coming years. This is a significant change from our assumptions in October.

Source	FY15	FY16	FY17	FY18	FY19
TPP Reimbursement	$29,529,214	$20,999,798	$12,470,383	$2,865,745	$0

Source	FY15	FY16	FY17	FY18	FY19
Rollback and Homestead	$32,990,007	$32,857,676	$32,874,794	$32,913,542	$32,959,687
TPP Reimbursement	29,529,214	20,999,798	12,470,383	2,865,745	0
Total Line #1.050	$62,519,221	$53,857,474	$45,345,177	$35,779,287	$32,959,687

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 FY19 at the FY15 levels.

Source	FY15	FY16	FY17	FY18	FY19
Open Enrollment Gross	$0	$0	$0	$0	$0
Interest in Investments 1410	1,200,000	960,000	960,000	960,000	960,000
Win Win Agreement	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
PILOT Payments 2400	1,828,457	2,000,000	2,000,000	2,000,000	2,000,000
Tuition SF-14 & SF-14H (12xx)	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000
Medicaid, rentals and other	5,179,157	5,200,000	5,200,000	5,200,000	5,200,000
Total Line # 1.060	$17,607,614	$17,560,000	$17,560,000	$17,560,000	$17,560,000

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	FY15	FY16	FY17	FY18	FY19
Tax Ant. Notes Line 2.010	$0	$0	$0	$0	$0

Source	FY15	FY16	FY17	FY18	FY19
Tax Ant. Notes Line 2.010	$0	$0	$0	$0	$0

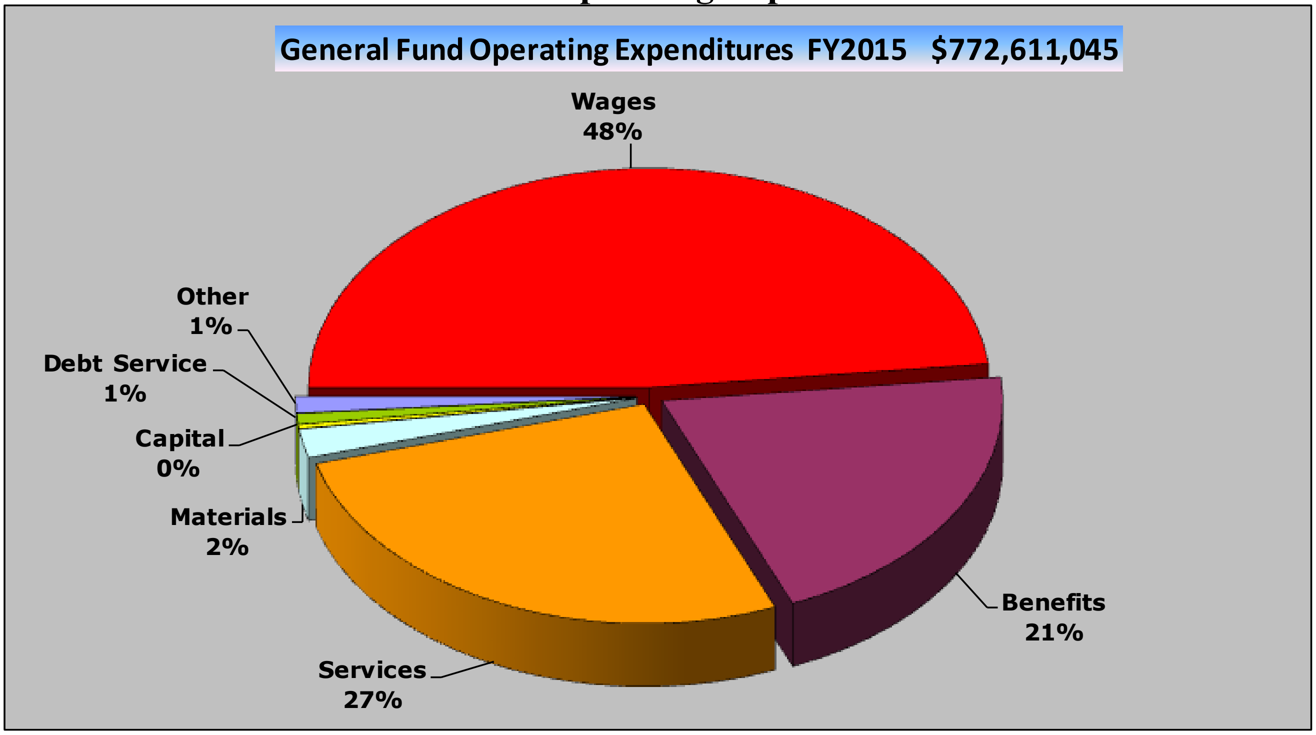
Source	FY15	FY16	FY17	FY18	FY19
State Emerg. Loan - Line 2.020	$0	$0	$0	$0	$0

Source	FY15	FY16	FY17	FY18	FY19
Transfers In - Line 2.040	$4,779,208	$3,981,258	$3,981,258	$3,981,258	$3,981,258
Advance Returns	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total Transfer & Advances In	$24,779,208	$23,981,258	$23,981,258	$23,981,258	$23,981,258

Source	FY15	FY16	FY17	FY18	FY19
ROPYE & Sale FA - Line #2.060	$2,535,660	$150,000	$150,000	$150,000	$150,000

Source	FY15	FY16	FY17	FY18	FY19
ROPYE & Sale FA - Line #2.060	$2,535,660	$150,000	$150,000	$150,000	$150,000

Expenditures Assumptions
General Fund Operating Expenditures FY15



Wages & Personal Services – Line #3.010
The estimate for Wages includes a number of factors. For FY15, we have provided for step increases of 2.2% while accounting for staff reductions, building closures and the added staff for in-sourcing transportation by the district and cutting the outsourcing contract. We are estimating a base wage increase of 1% for years FY16 through FY18 and 0% in FY19 and step increases of 2.2% for all the remaining years of the forecast.

The May forecast includes 260 retirements and replacements at the end of this year. We have included 130 new certified positions for FY16 and 35 new positions each subsequent year of the forecast.

Source	FY15	FY16	FY17	FY18	FY19
Base Wages	$376,663,569	$373,000,000	$383,769,333	$397,608,451	$410,985,440
Wage Adjustments	(6,256,779)	3,730,000	3,837,693	3,976,085	0
Step Increases	8,286,599	8,206,000	8,442,925	8,747,386	9,041,680
Prior year Gain share	0	0	0	0	0
FY15 Budget Adjustments-Staff	487,974	0	0	0	0
In-sourcing transportation	518,799	0	0	0	0
Transition Changes	(1,707,307)	0	0	0	0
Building Closures - FY15	(4,042,128)	0	0	0	0
Staff Changes	(950,727)	5,633,333	2,658,500	1,853,518	1,841,264
Retirement/Replacement savings	0	(6,800,000)	(1,100,000)	(1,200,000)	(1,200,000)
Total Wages Line 3.010	$373,000,000	$383,769,333	$397,608,451	$410,985,440	$420,668,384

Fringe Benefits Estimates - Line 3.02
This area of the forecast captures all costs associated with benefits and retirement costs. Fringe benefits ran 40.5% in FY14, and are estimated to be 41.3% in FY15 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 FY15 and FY16.

Source	FY15	FY16	FY17	FY18	FY19
Base Wages 211, 221	$53,222,562	$52,704,900	$54,226,607	$56,182,074	$58,072,243
Wage Adjustments	(875,949)	522,200	537,277	556,652	0
Step Increases	1,160,124	1,148,840	1,182,010	1,224,634	1,265,835
FY14 Budget Adjustments-Staff	68,316	0	0	0	0
In-sourcing transportation	72,632	0	0	0	0
FY Adjustment	(700,000)	0	0	0	0
Transition Changes	(239,023)	0	0	0	0
Building Closures FY15	(565,898)	0	0	0	0
Staff Cuts for FY14 & 15	(133,102)	(163,333)	218,190	91,493	89,777
Other - SERS Payment 1/6 end FY16	3,048,000	3,048,000	0	0	0
Total Retirement System Estimates	$55,057,663	$57,260,607	$56,164,083	$58,054,853	$59,427,855

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. This tax will equate to a roughly a 2% annual increase in FY15. For fully insured plans an Insurer Fee of 2.46% of premium is due by the insurer January 1, 2014. This cost will be passed along in fully insured plans. Longer-term a significant concern is the 40% "Cadillac Tax" that will be imposed in 2018 for plans whose value of benefits exceed $10,200 for individual plans and $27,500 for family plans. We have included payment of $5M in FY18 and $6M in FY19 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.

We have included an additional cost estimate of $3.7 million in the FY15 'Insurance Trend' below. It is a 4.5% increase/bump and then in FY16 forward the ACA costs are included in the 'Base Costs'.

Source	FY15	FY16	FY17	FY18	FY19
Base Costs	$82,499,933	$89,104,728	$92,616,127	$96,814,587	$101,010,196
FY14 Budget Adjustments-Staff	$39,038	$0	$0	$0	$0
In-sourcing transportation	$41,504	$0	$0	$0	$0
Cadillac Tax	$0	$0	$0	$5,000,000	$6,000,000
Staff Changes	-$188,244	-$231,000	$308,583	$129,397	$126,970
Insurance Trend Adjustment	$6,712,497	$3,742,399	$3,889,877	$4,066,213	$4,452,428
Total Insurance Estimates	$89,104,728	$92,616,127	$96,814,587	$106,010,196	$111,589,595

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	FY15	FY16	FY17	FY18	FY19
Workers Comp Base Cost Estimates	$8,322,500	$8,634,810	$8,946,190	$9,247,172	$9,465,039
Unemployment Comp	360,000	383,769	397,608	410,985	420,668
Total BWC & UC Estimates	$8,682,500	$9,018,579	$9,343,799	$9,658,158	$9,885,707

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	FY15	FY16	FY17	FY18	FY19
Base Costs	$5,036,622	$5,235,130	$5,386,279	$5,621,547	$5,796,374
FY14 Budget Adjustments	7,076	0	0	0	0
Other Staff Changes	(89,630)	(16,917)	22,598	9,476	9,298
Total Medicare Estimate	$4,954,068	$5,218,213	$5,408,878	$5,631,023	$5,805,673

Summary of Fringe Benefits – Line #3.020

Source	FY15	FY16	FY17	FY18	FY19
STRS/SERS	$55,057,663	$57,260,607	$56,164,083	$58,054,853	$59,427,855
Insurance's	89,104,728	92,616,127	96,814,587	106,010,196	111,589,595
Workers Comp & Unemployment	8,682,500	9,018,579	9,343,799	9,658,158	9,885,707
Medicare	4,954,068	5,218,213	5,408,878	5,631,023	5,805,673
Other/Tuition	232,876	232,876	232,876	232,876	232,876
Fringe Benefit Total Line 3.020	$158,031,835	$164,346,402	$167,964,223	$179,587,106	$186,941,706

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, the newly enacted Peterson Scholarship and ongoing costs for the Ed Choice Voucher program. 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 FY15 to reflect the amount being deducted by the State of Ohio on our April settlement statement. We project 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 FY15.

The transportation outsourcing contract was eliminated in FY14 as these services are being brought back in-house with district running operations. We believe this will save the district costs in this area over new contract renewal pricing.

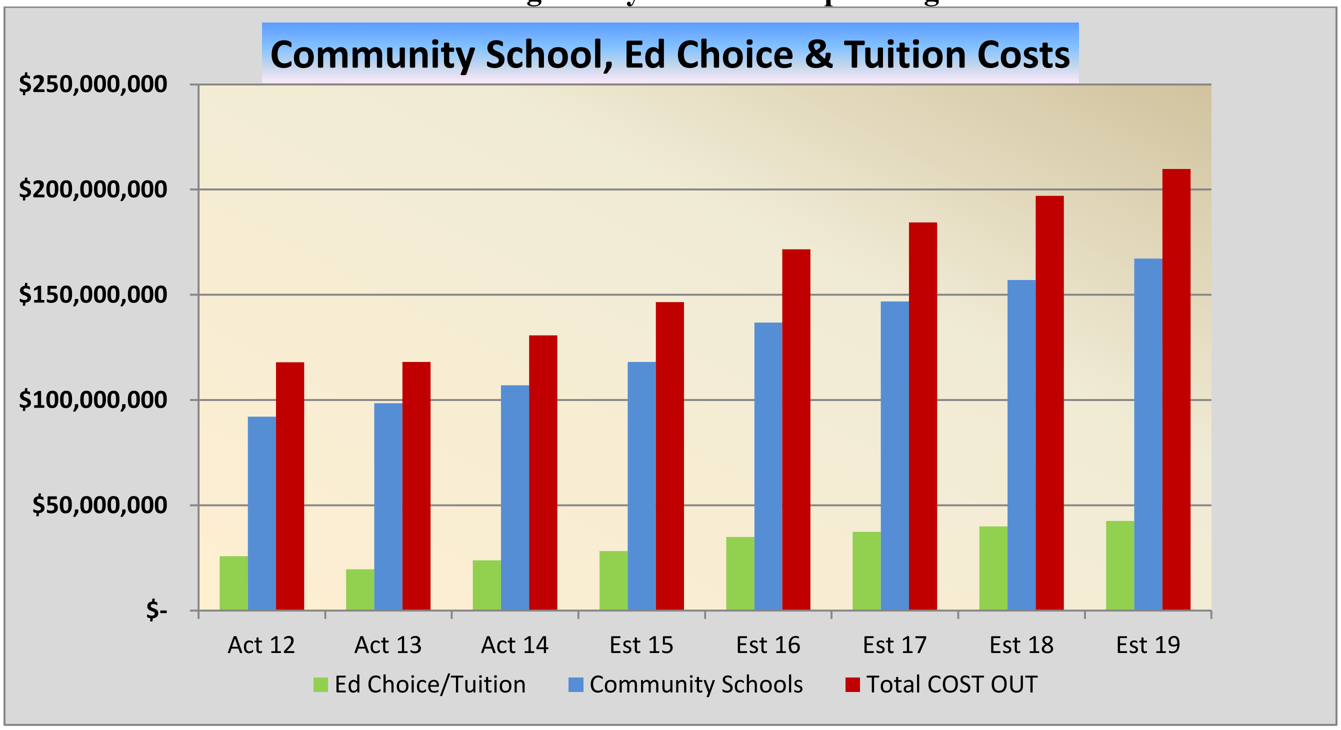
An overall inflation of 4.4% to 5.0% is being estimated for the general purchased service accounts but more specific increases are noted in the table on the next page.

Category	FY15	FY16	FY17	FY18	FY19
Community School	$116,299,008	$136,772,382	$146,912,382	$157,052,382	$167,192,382
Est. Increase	20,473,374	10,140,000	10,140,000	10,140,000	10,140,000
Estimated Community School	$136,772,382	$146,912,382	$157,052,382	$167,192,382	$177,332,382
Estimated New Students	1,300	1,300	1,300	1,300	1,300
Estimated Amount per Student	5,832	7,800	7,800	7,800	7,800
Ed Choice Voucher/STEM	18,402,968	24,003,625	26,072,825	28,142,025	30,211,225
Est. Increase	5,600,657	2,069,200	2,069,200	2,069,200	2,069,200
Estimated Voucher Costs	$24,003,625	$26,072,825	$28,142,025	$30,211,225	$32,280,425
Estimated New Students	400	400	400	400	400
Estimated Amount per Student	**$7,000**	**$5,173**	**$5,173**	**$5,173**	**$5,173**

Summary Purchased Services –Line #3.030

Source	FY15	FY16	FY17	FY18	FY19
Other	$21,190,329	$22,122,703	$23,096,102	$24,112,330	$25,173,273
Tuition to Other Districts 471,474,475,477	10,880,514	11,359,257	11,859,064	12,380,863	12,925,621
Community School 478	136,772,382	146,912,382	157,052,382	167,192,382	177,332,382
EdChoice Voucher, STEM 479	24,003,625	26,072,825	28,142,025	30,211,225	32,280,425
Utilities 441,451,452,453	14,904,123	15,649,329	16,431,795	17,253,385	18,116,054
FY16 Budget requests	0	3,415,180	3,565,448	3,722,328	3,886,110
Total Line 3.030	$207,750,973	$225,531,676	$240,146,816	$254,872,513	$269,713,865

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. Beginning in FY14 these costs have been adjusted up $2,975,200, to account for in-sourcing transportation including fuel, tires and supplies for vehicles. The Board projects spending will increase by 3.0 % per year during the forecast period.

Source	FY15	FY16	FY17	FY18	FY19
Supplies	$16,159,504	$16,644,289	$17,501,652	$18,026,702	$18,567,503
FY16 Budget requests	0	347,606	0	0	0
Total Line 3.040	**$16,159,504**	**$16,991,895**	**$17,501,652**	**$18,026,702**	**$18,567,503**

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. The Board projects that spending will increase by approximately 3.0 % in the category during each year of the forecast.

Source	FY15	FY16	FY17	FY18	FY19
Capital Outlay	$2,364,907	$2,435,854	$2,629,069	$2,707,941	$2,789,179
FY16 Budget requests	0	116,640	0	0	0
Total Line 3.050	$2,364,907	$2,552,494	$2,629,069	$2,707,941	$2,789,179

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. The Board projects that spending will increase by approximately 1.0 % per year during the forecast period. 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	FY15	FY16	FY17	FY18	FY19
Property Tax Coll. 840	$9,502,680	$9,597,707	$9,693,684	$9,790,621	$9,888,527
Other expenses	800,000	824,000	848,720	874,182	900,407
Est under Oct 2014 FYF	(984,513)	0	0	0	0
FY16 bud requests over	0	166,015	167,675	169,352	171,046
Total Line 4.300	$9,318,167	$10,587,722	$10,710,079	$10,834,155	$10,959,980

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	FY15	FY16	FY17	FY18	FY19
Operating Transfers Out Line #5.010					
Athletics Transfer	$642,800	$642,800	$642,800	$642,800	$642,800
HB264 Debt Transfer	798,250	0	0	0	0
Food Service Deficit Transfer	0	1,500,000	1,500,000	1,500,000	1,500,000
Bus Transfer Boarded May 2013	3,981,250	3,033,025	2,945,450	2,938,763	2,923,225
Operating Transfers Out Line #5.010	5,422,300	5,175,825	5,088,250	5,081,563	5,066,025
Advances Out Line #5.020	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total	$25,422,300	$25,175,825	$25,088,250	$25,081,563	$25,066,025

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. The HB264 project noted on Line 4.05 will be paid off by FY16. 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	FY15	FY16	FY17	FY18	FY19
School bus TANS #4.020	$3,280,000	$2,370,000	$2,325,000	$2,370,000	$2,430,000
Principal QSCB Line # 4.055	657,665	657,665	657,665	657,665	657,665
Total Principal Payments	$3,937,665	$3,027,665	$2,982,665	$3,027,665	$3,087,665

HB 264 NOTE REPAYMENT – Line #4.050

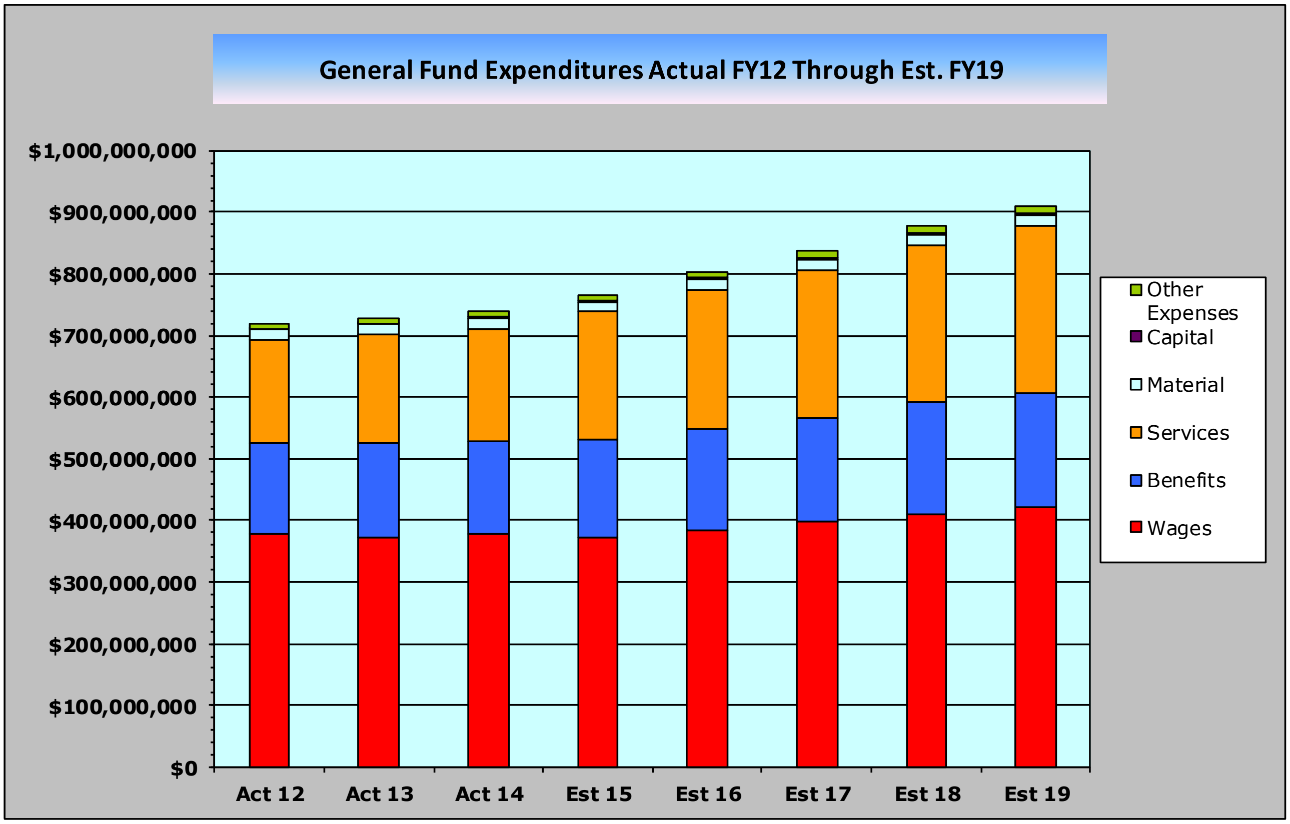
Energy conservation project debt service with a final maturity on June 1, 2015

Source	FY15	FY16	FY17	FY18	FY19
HB 264 Principal Line # 4.050	$775,000	$0	$0	$0	$0

INTEREST AND FISCAL CHARGES – Line #4.060

Source	FY15	FY16	FY17	FY18	FY19
Interest on TANS & HB 264 Total Line 4.060	$1,272,994	$1,211,519	$1,168,944	$1,117,256	$1,041,719

General Fund Expenditures By Object Code Actual FY12 Through Estimated FY19



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

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	FY15	FY16	FY17	FY18	FY19
Total Revenues over/(under) Total Expenses	$5,082,361	($36,867,765)	($55,737,831)	($89,133,228)	($107,112,224)

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.

	FY15	FY16	FY17	FY18	FY19
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 FY19 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 increase over FY14 levels and expenditures below the operating revenue, our ending cash balance is anticipated to be higher in FY15. 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 5% increase state aid were to occur and state reimbursements for tangible personal property are phased-out through FY19.

	FY15	FY16	FY17	FY18	FY19
Ending Cash Balance	$111,280,732	$74,412,966	$18,675,136	($70,458,092)	($177,570,316)

General Fund Unreserved Ending Cash Balance Actual FY12 Through Estimated FY19