



HURON CITY SCHOOLS

FIVE YEAR FORECAST

For Actual Fiscal Years 2016 through 2018

For Forecasted Fiscal Years 2019 through 2023

Prepared and Submitted by Treasurer/CFO of
Huron City Schools

Regular Board of Education Meeting October 16, 2018

Huron City School District

Erie County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2016, 2017 and 2018 Actual
Forecasted Fiscal Years Ending June 30, 2019 Through 2023

	Actual				Average Change	Forecasted				
	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018			Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Revenues										
1.010 General Property Tax (Real Estate)	\$9,195,351	\$8,794,711	\$9,085,621	-0.5%	\$9,185,621	\$9,235,621	\$9,285,621	\$9,335,621	9,385,621	
1.020 Tangible Personal Property Tax	526,777	859,814	918,364	38.0%	\$651,000	\$351,000	\$51,000			
1.030 Income Tax										
1.035 Unrestricted State Grants-in-Aid	2,145,193	2,030,224	2,457,510	7.8%	\$2,575,652	\$2,500,000	\$2,512,500	\$2,525,063	2,537,688	
1.040 Restricted State Grants-in-Aid	34,032	41,855	34,689	2.9%	\$10,863	\$30,000	\$30,000	\$30,000	30,000	
1.045 Restricted Federal Grants-in-Aid - SFSF										
1.050 Property Tax Allocation	2,354,598	2,127,457	1,796,871	-12.6%	\$1,796,871	\$1,796,871	\$1,796,871	\$1,796,871	1,796,871	
1.060 All Other Revenues	872,564	1,119,798	1,204,281	17.9%	1,204,281	1,204,281	1,204,281	1,204,281	1,204,281	
1.070 Total Revenues	15,128,515	14,973,859	15,497,346	1.2%	15,424,288	15,117,773	14,880,273	14,891,836	14,954,461	
Other Financing Sources										
2.010 Proceeds from Sale of Notes										
2.020 State Emergency Loans and Advancements (Approved)										
2.040 Operating Transfers-In										
2.050 Advances-In										
2.060 All Other Financing Sources	12,667	9,039	1,237	-57.5%	54,525	30,000	30,000	30,000	30,000	
2.070 Total Other Financing Sources	12,667	9,039	1,237	-57.5%	54,525	30,000	30,000	30,000	30,000	
2.080 Total Revenues and Other Financing Sources	15,141,182	14,982,898	15,498,583	1.2%	15,478,813	15,147,773	14,910,273	14,921,836	14,984,461	
Expenditures										
3.010 Personal Services	7,869,863	8,136,393	7,987,552	0.8%	8,287,552	8,537,552	8,787,552	9,037,552	9,287,552	
3.020 Employees' Retirement/Insurance Benefits	3,065,503	2,907,459	3,065,981	0.1%	3,165,981	3,216,849	3,311,253	3,409,855	3,512,857	
3.030 Purchased Services	2,655,662	2,708,999	2,992,756	6.2%	3,192,756	3,224,684	3,256,930	3,289,500	3,322,395	
3.040 Supplies and Materials	577,417	486,742	466,000	-10.0%	541,000	551,820	562,856	574,114	585,596	
3.050 Capital Outlay	114,450	91,172	69,856	-21.9%	139,122	100,000	100,000	100,000	100,000	
3.060 Intergovernmental										
Debt Service:										
4.010 Principal-All (Historical Only)										
4.020 Principal-Notes	141,013	138,825	130,000	-4.0%	138,825	141,013	141,013	141,013	141,013	
4.030 Principal-State Loans										
4.040 Principal-State Advancements										
4.050 Principal-HB 264 Loans										
4.055 Principal-Other										
4.060 Interest and Fiscal Charges										
4.300 Other Objects	307,720	281,587	665,808	64.0%	665,808	250,000	250,000	250,000	250,000	
4.500 Total Expenditures	14,731,628	14,751,177	15,377,953	2.2%	16,131,044	16,021,918	16,409,605	16,802,033	17,199,412	
Other Financing Uses										
5.010 Operating Transfers-Out		13,325								
5.020 Advances-Out										
5.030 All Other Financing Uses										
5.040 Total Other Financing Uses		13,325								
5.050 Total Expenditures and Other Financing Uses	14,731,628	14,764,502	15,377,953	2.2%	16,131,044	16,021,918	16,409,605	16,802,033	17,199,412	
6.010 Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	409,554	218,396	120,630	-45.7%	652,231-	874,145-	1,499,332-	1,880,198-	2,214,952-	
7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	5,323,292	5,732,846	5,951,242	5.8%	6,071,872	5,419,641	4,545,496	3,046,165	1,165,967	
7.020 Cash Balance June 30	5,732,846	5,951,242	6,071,872	2.9%	5,419,641	4,545,496	3,046,165	1,165,967	1,048,985-	
8.010 Estimated Encumbrances June 30	65,308	60,039	60,039	-4.0%	80,000	80,000	80,000	80,000	80,000	
Reservation of Fund Balance										
9.010 Textbooks and Instructional Materials										
9.020 Capital Improvements										
9.030 Budget Reserve										
9.040 DPIA										
9.045 Fiscal Stabilization										
9.050 Debt Service										
9.060 Property Tax Advances										
9.070 Bus Purchases										
9.080 <i>Subtotal</i>										
10.010 Fund Balance June 30 for Certification of Appropriations	5,667,538	5,891,203	6,011,833	3.0%	5,339,641	4,465,496	2,966,165	1,085,967	1,128,985-	
Revenue from Replacement/Renewal Levies										
11.010 Income Tax - Renewal										
11.020 Property Tax - Renewal or Replacement										
11.300 Cumulative Balance of Replacement/Renewal Levies										
12.010 Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations	5,667,538	5,891,203	6,011,833	3.0%	5,339,641	4,465,496	2,966,165	1,085,967	1,128,985-	
Revenue from New Levies										
13.010 Income Tax - New										
13.020 Property Tax - New										
13.030 Cumulative Balance of New Levies										
14.010 Revenue from Future State Advancements										
15.010 Unreserved Fund Balance June 30	5,667,538	5,891,203	6,011,833	3.0%	5,339,641	4,465,496	2,966,165	1,085,967	1,128,985-	
ADM Forecasts										
20.010 Kindergarten - October Count										
20.015 Grades 1-12 - October Count										
State Fiscal Stabilization Funds										
21.010 Personal Services SFSF										
21.020 Employees Retirement/Insurance Benefits SFSF										
21.030 Purchased Services SFSF										
21.040 Supplies and Materials SFSF										
21.050 Capital Outlay SFSF										
21.060 Total Expenditures - SFSF										

See accompanying summary of significant forecast assumptions and accounting policies

Includes: General fund, Emergency Levy fund, DPIA fund, Textbook fund and any portion of Debt Service fund related to General fund debt

Huron City School District

Significant Financial Assumptions – October 2018

Purpose:

Every school district in Ohio creates and presents a five year forecast. This submission includes financial projections reflecting actual, audited numbers from fiscal year 2016 through fiscal year 2018. The projected numbers are presented for fiscal year 2019 through 2023. These projections are based on a *snapshot* of the information available today and using submitted information to make judgments and assumptions as to what will occur in the future. The document can be used in the following ways:

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

The forecast tracks activity for the General Fund (Fund 001) as well as all retired State Fiscal Stabilization funding (Fund 532), and EdJobs funding (fund 504). The stabilization and EdJobs funding were allocated from fiscal year 2010 through fiscal year 2012.

Basis of Accounting:

This financial document has been prepared on a cash basis. This type of accounting is required by governmental agencies and political subdivisions. This non-GAAP basis of accounting recognizes revenues when received instead of earned and recognizes expenditures when paid rather than when the obligation is incurred. The Ohio law governing the district requires encumbrances for future expenses to ensure appropriations cover all legally binding commitments.

Fund Accounting:

Huron City School District maintains accounts in accordance with the principles of fund accounting. This method of accounting is primarily used by governmental entities and political subdivisions allowing for financial reporting by segregating transactions into separate accounts. Specific funds are determined by the Uniform School Accounting System (USAS) and based on the origination of the revenue streams. Each fund is identified as to the purpose of the revenues received and the anticipated expenditures. State law regulates how each fund is used and all activity is tracked in accordance with these regulations. This forecast looks only at the General fund (fund 001) and other operational funding associated with the day to day operation of the district. As with any projection, the figures contained herein are the best projections based on the information known at the time the forecast was prepared. Since circumstances change and conditions may not occur as anticipated or expected there will, most likely, be a difference between the projected figures and the actual results.

School District Description:

The Board of Education for the Huron City School District is a political subdivision and corporate body charged with the responsibility of managing and controlling the affairs of the district. The operation of the district is governed by the Ohio Revised Code and State Law. The Board of Education is comprised of five generally elected board members each serving four year terms.

Annually, the Board of Education elects a President and Vice-President. The Board appoints two officials: the Superintendent, who acts as the Chief Executive Officer, and the Treasurer, who serves as the Chief Financial Officer.

The Huron City School District was organized in 1887, drawing enrollment from the City of Huron, Ohio. The district serves an area of approximately twenty two square miles located in Erie County, Ohio. The current enrollment is approximately 1339 from Pre-K to Grade 12. There is one Elementary building, one Middle School, one Junior High Building and one High School building. The Administrative offices are attached to the Elementary Building.

Revenue Assumptions:

Line 1.010 - General Property Tax (Real Estate)

Property values are established by the County Auditor based on any new construction and updated property values. According to the Reappraisal and Triennial Update schedule, Reappraisal will occur in 2018 and the Triennial Update will occur in 2021 on all Huron City School District properties. The valuations as reported by the County Auditor have been included in the estimates factored into the projection as well as tax reduction factors. The Erie County Auditor has provided valuation figures for tax year 2017 to be collected in 2018. These valuation figures have been used in this projection and are as follows:

Real Property Taxable Value:	\$327,398,700
Public Utility Taxable Value:	<u>\$ 8,355,600</u>
Total Valuation:	\$335,734,300

While the overall movement in this revenue stream from fiscal year 2013 through fiscal year 2017 is .5%, the reappraisal has indicated additional increases in valuation over the previous years. The valuation increases were received in January and are noted above. A small increase in this revenue stream has been assumed beginning in 2019 as a result of local economic development.

Line 1.020 – Tangible Personal Property Tax

Amended Substitute House Bill 66 provided for the phase out of the tangible personal property tax for business, telephone and railroad property from tax years 2006 to 2010. The reductions were to be implemented from fiscal years 2008 through 2012. According to the language, in fiscal year 2013 no general tangible values would be left in the property tax base of school districts. A phase out schedule was created based on this adopted language.

According to the law, school districts will be held harmless for a specified period and then a phase-out period will begin in August of 2011 and last for six years, through 2017. The phase-out period was then postponed due to language in House Bill 1 to August of 2013. The reimbursements to school districts during the hold-harmless and phase-out periods are based on all fixed sum levies (levies passed with a fixed sum dollar amount). According to the Ohio Department of Education, districts will be reimbursed for as long as those levies are in effect. Additional language from SB208 was released in November 2015 continuing the TPP reductions over the next few years. The forecast indicates our projections with total loss by 2019; a small amount of revenue remains due to lingering utility payments.

The only entities who continue to be subject to the tax are telephone and inter-exchange telecommunications companies or entities leasing property to telephone and inter-exchange telecommunications companies. The revenue stream included with this forecast is following trends identified over the past few years. This line item has been forecasted flat for the last few years or eliminated altogether; while there seems to be an identifiable trend this revenue stream has been forecast with that trend in mind along with a scheduled incremental loss through 2020.

Line 1.030 – Income Tax

Huron City School District currently has no Income Tax on the books creating revenue for the district. With the current make up of the community, this most likely will not be a revenue stream to explore in coming years.

Line 1.035 – Unrestricted State Grants-in-Aid

This line item has become more and more difficult to project. The revenue shortfalls in past years at the state and federal levels have caused a measure of uncertainty in the state foundation funding. This is a revenue stream districts in the State of Ohio have come to rely.

As we look to the gubernatorial race in November of 2018, we have to take into account an unknown outcome, an unknown view of not only public entities, but public education as a whole. With every new Governor, we have a new funding strategy and a new funding formula. The last two cycles of budget/funding bills were not necessarily in our favor, but with hope, we can look toward another new beginning as the results of this race are realized.

I am projecting a small increase due to the additional services the district is providing for area students. With the MD unit at the high school, there has been an incremental increase in overall funding; we are watching closely the expenses associated with the unit.

Fiscal Year 2013 is the first time districts in Ohio received funding from the launching of casinos in the State of Ohio. This funding has been deployed through the State Department of Taxation by individual County Auditors, much as Tangible Personal Property Tax. The first payment reached districts in Ohio in August 2012 with subsequent payments each January and August. Each of these payments based on partial year results from the casino gross profits since the casino openings were: Cleveland, Toledo, Columbus and Cincinnati.

Casino revenue is taxed in the following manner:

State tax on all gross casino revenue (GCR)	33%
(GCR is calculated as the total amount wagered less the amount paid to players as winnings.)	
Amount set aside in support of all public school districts	34%

This revenue is calculated on a per pupil basis. In the Huron City School District scenario, the ADM of 1339 was used to create the projections.

Our most recent results indicate an annual total of casino tax revenue of just under \$75,000. With all the discussion and analysis projecting several different figures, Huron's results are just under \$25 per pupil, paid twice a year.

The current funding system for State Foundation payments is based upon the formula developed through the passage of HB49. This calculation incorporates district Average Daily Membership (ADM) against state-defined factors to arrive with foundation funding levels.

This formula is designed with several areas of interest including Targeted Assistance, K-3 Literacy, Economic Disadvantaged, Limited English Proficiency, and Preschool Special Education. Recent results have been identified and incorporated for ongoing forecasting through 2023. Currently we are experiencing changes in Special Education funding.

The actual foundation trend for FY2011 through FY2014 is a decrease of 0.5%, on average. There was a slight increase of foundation payments for FY2015, but the foundation revenue stream has not been returned to pre-stimulus funding levels. FY2017 has seen a drop in this revenue stream and that trend will continue with the passage of HB49. With the loss of the remaining TPP and Foundation reductions the district will lose in excess of \$821,000 over the next two years. Much of the FY18 increases are attached to services for special needs students.

Line 1.040 – Restricted Grants-in-Aid

The Restricted Grants-in-Aid line item is tracking our current Career Tech funding from the Ohio Department of Education. This amount is estimated taking into account an ongoing attention to career tech classes and integration of those classes in the district curriculum.

Line 1.045 – Restricted Federal Grants-in-Aid

Since fiscal year 2010, this line item has tracked the Federal stimulus funding. In fiscal years 2010 and 2011, the State Fiscal Stabilization Funding had offset a portion of the State foundation funding reductions, earmarked for operational expenses. Once this funding stream was completed, at the end of fiscal year 2011, the EdJobs funding was implemented to help keep Educational jobs at the building level. As of 2012, this funding stream has also ceased. Over the fiscal years covered by this forecast, Huron City School District has received just over \$480,000 to retain Educator jobs in the district.

Unfortunately, the district foundation funding was reduced to account for this additional revenue stream and as of this date, the foundation funding has not been returned to the fiscal year 2009 levels. As of fiscal year 2013, this funding line item is eliminated. There is no additional stimulus funding anticipated.

Line 1.050 – Property Tax Allocation

Property tax allocations or the Homestead and Rollback include a 10% property tax rollback for all residential real property owners. In 1979, an additional 2.5% rollback was enacted for owner occupied homes. Additional relief is granted to qualified elderly and disabled homeowners based on income through the Homestead Exemption program. The Homestead Exemption was expanded in 2008 to exempt the first \$25,000 of appraised home value for senior citizens. These tax credits are reimbursed to the district through the State and are calculated by applying the appropriate percentages to residential property tax collections. This revenue moves at the same pace as residential real estate assessed valuation. A tax levy would have an increasing effect on these revenues as well. HB59 has removed some of the relief associated with this exemption. This income stream has been projected flat with no anticipated increases.

Tangible Personal Property Tax Replacement Revenues are also tracked under this line item. These revenues reflect the replacement of local tax revenues eliminated by House Bill 66. The Governor's biennium budget would have removed this funding completely by fiscal year 2015 if the House of Representatives had not amended the budget bill to allow the reduction of the replacement revenues over the next few years.

Line 1.060 – All other Revenues

This revenue stream houses all other revenues including interest income, class fees, miscellaneous receipts, sale of assets, PILOT revenues, Medicaid reimbursement and E-Rate reimbursements.

There are some areas of movement to mention for this revenue line item. Interest income will continue to increase. The interim funds are now segregated and have been identified for targeted interest rates, laddered out over the next few years; resulting in additional income over the most recent historical data. The revenue stream is projected somewhat flat until anticipated results are realized. I anticipate the investment interest to continue to grow this is a welcomed change over previous years.

Line 2.060 – Other Financing Sources

This line item accounts for advancements and adjustments needed from the General Fund to eliminate deficit balances in other funds of the district. These amounts are always returned to the General fund. The other activity in this area account for refunds of prior year expenditures, needed to account for activity adjustments from prior fiscal years. This line item is normally immaterial and is forecast as reducing over the next few years to move away from the practice in previous fiscal years.

Expenditure Assumptions:**Line 3.010 – Personal Services**

The personal services category represents all salaries and wages for employees of the school district paid through the General fund. These expenses are affected by current negotiated agreements with certified and classified unions; those specific agreements have been taken into account when projecting these expenses. A significant assumption made for the purpose of this contract is the staffing levels over the next few years. The personnel levels have taken into account past reductions and holding those levels constant over the next few years.

All salaries have been calculated on an individual basis. All contracted amounts have been forecast with past historical movement as allowing for experience steps for those staff members. The certified agreement will be in the negotiations process next spring. This forecast views the outcome of these negotiations as an unknown. If the district is unable to reverse deficit spending, additional cuts in this area will be inevitable.

Line 3.020 – Employees Retirement/Insurance Benefits

The two items of most significance in this category are employee health insurance costs and employee pension costs. The retirement costs are, for the most part, calculated at 14% of total salary. According to State law, the district must participate in employee retirement at this level. Until there are any changes to statute, this amount will be forecast as such. The recent retirement changes have no increase in employer contribution.

Employee health insurance costs for fiscal year 2017 have resulted in a slight increase from 2016. Since FY2010, there has been a decrease of over \$179,000 through FY2015, this is due to staff reductions and program redesigns. There are changes coming in the medical insurance plan for the district over the remainder of the fiscal year and moving forward. This line item is projected with an increase of 5% for the life of this forecast. With some contract changes for Dental, there has been a decrease in expenses.

The other important factor associated with medical costs is the implementation of the Affordable Health Care Act as of July 1, 2013. With the new federal legislation, all employees working a minimum of 30 hours per week are entitled to medical coverage. We have developed and hope to offer a minimum value plan to these employees to remain in compliance with the healthcare act. The future of these requirement remains in the balance with the new federal administration. This is something we will be watching closely.

Line 3.030 – Purchased Services

Expenditures in this category include all services purchased by the district. This could be anything from utilities, to open enrollment out payments, community school payments, special education costs, payments to other educational entities and all other services related to the operation of the district.

The latest State budget provides for special education scholarships for students to attend private schools rather than attending public schools. According to the most recent projections, there should be a deficit to the foundation funding of approximately \$34,005 if the projected figures are realized. The wildcard deduction for FY2019 has been the College Credit Plus deductions. After the first of the year, we should have a firmer figure to hold to the CCP expenses.

The utilities costs are always significant for the district. The actual results of all utility expenses since 2010 have indicated a decrease over this timeframe. All utility expenses are tracked monthly to identify trends for electric, gas, phone, water and refuse removal. The installation of monitoring systems for gas and electric, as well as lower turf maintenance costs are accredited with the reductions.

The next segment of purchased services of most significance holds the most uncertainty. All payments for students through school choice regulations allow for payments to community schools, open enrollment to other districts, payments to other districts for foster students, payments for special education services for students choosing to attend other districts and payments for special education services for students attending Huron City Schools. The forecast does not assume a sizeable increase of expenses in this area. For fiscal year 2019, the projected net effect for Open Enrollment is a positive \$177,970; this does not include the Community School deduction of \$186,772. Huron Schools remain a destination school in the area.

The contracted services agreement through North Point Educational Service Center is one of the most sizeable contracts to be considered here. While this contract has continued to be reduced over the last few years, fiscal year 2018 will see a base contract in excess of \$1,000,000 (an increase of nearly \$500,000 over 2017). This contract covers Speech services, Occupational Therapy, Physical Therapy, Gifted services and Curriculum services. This is a sizeable amount considering the population size. A sizeable portion of the increase can be attributed to a Multi-Handicapped classroom implemented at the High School, replacing Perkins Local. This is an area the district will need to continually monitor for any potential cost savings.

As the year progresses the review of existing contracts will continue to identify any area of additional district funding can be realized.

Line 3.040 – Supplies and Materials

Expenditures in this line item include fuel for the district buses, educational supplies and materials, repair and maintenance supplies, paper, textbook costs, office supplies and all other consumable items.

From FY2012 through FY2014, the district has decreased the overall supply costs by 4.5%. The staff has been cognizant of adhering to spending disciplines, but there is only so much the district can absorb. There has been an effort by Administration to conserve curriculum and instructional purchases, but 2019 will see some purchases to keep the teaching materials current and provide additional needed curriculum and textbooks. Anticipated reductions for the life of this contract are forecast due to the revenue shortfalls.

Maintenance and Transportation supplies are on the rise for this fiscal year. In the prior years of conservation, there are operational issues which need to be addressed; the district is essentially playing 'catch up' for some facility upkeep. We have been working through these issues this year to ensure building safety and compliance. An aging bus fleet has also added to these issues. We are in the process of catching up on some of the overdue expenses for district repair/maintenance and operation.

Line 3.050 – Capital Outlay

Much of the Capital Outlay expenses currently planned have been focused on technology, transportation and building operations. Instructional equipment is a necessity in order to have our students prepared for post K-12 education. The movement of state-based testing to electronic formats is driving the necessity for the additional expense. The district is has moved to a wireless environment with much of the expense landing in 2016 and 2017.

In the area of Transportation and Operations, a plan is being developed to replace aging equipment and fleet members. Over the next few years, the Board will need to look at the replacement of vehicles versus maintenance costs. The majority of these expenses will fall under Permanent Improvement dollars.

Strategic planning was completed in 2015. As part of that process, the development of a complete maintenance plan has been identified and implemented to keep operational equipment updated on an identified schedule.

Line 3.060 – Debt Service

Currently there are several leases in place charged to the General Fund. Each of the loans and sources of debt are being researched to ensure the appropriate funds are set aside for the satisfaction of each item. The other Debt Service processed by the district is charged to the Bond fund 002.

Line 4.300 – Other Objects

This forecast has assumed some substantial growth in this category. This line item accounts for County ESC deductions, County Auditor and Treasurer Fees, Auditor Election Expenses and miscellaneous membership fees and auditing fees. Of these expenses the County ESC deduction, the County Auditor fees and the Auditing and GAAP conversion fees are the largest. The County Auditor fees are expected to exceed \$100,000 for fiscal year 2019. A portion of the ESC charges are covered by Federal funding as part of the Federal grant applications. This section would also cover any unanticipated miscellaneous expenses. This portion of the budget is housing some facilities expenses not currently covered with PI funding.

Lines 5.010 through 5.303 – Other Financing Uses

These deductions have been used historically to transfer revenues to other funds holding a negative balance. This practice has been curtailed for all federal programming, noting all project cash requests as receivables. The other sizeable transfers were for the athletic and food service programs. These programs are currently operating in the black. There is a plan in place to reduce the amount of transfers to other funds for the life of this forecast.

Line 6.010 – Excess of Revenues Over / (Under) Expenses

This line item is a formula that tracks receipts by the fiscal year and subtracts the anticipated expenses for the year. The result is a positive number if the revenues exceed the expenses or a negative number if the expenses exceed the revenues. The goal is to not exceed the amount of revenue received for the year. Over the next few years, the projection will see larger deficits for the upcoming fiscal years covered in this forecast – this trend is not sustainable. The implementation of HB49 will have sizeable effects on the projections for the life of this forecast.

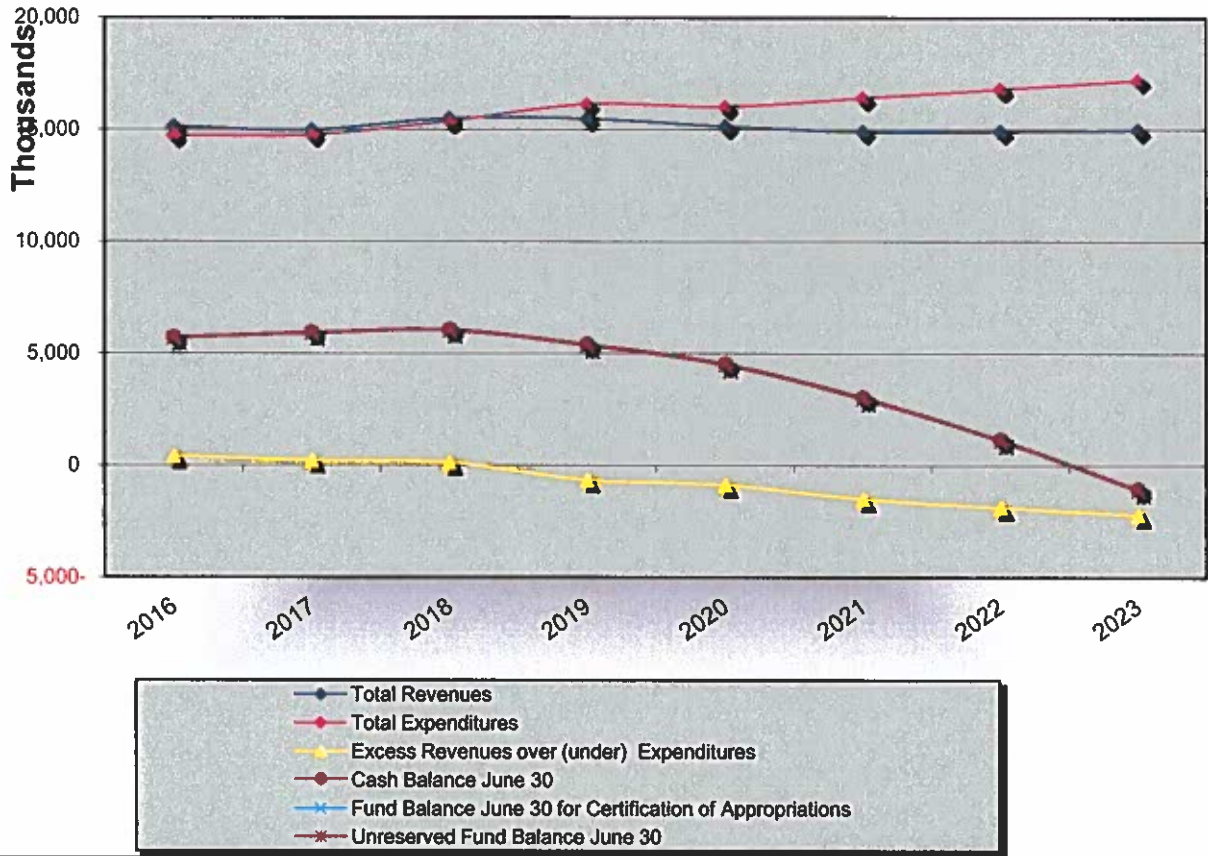
Line 8.010 – Estimated Encumbrances June 30

Encumbrances are outstanding purchase orders awaiting payment. All purchase orders are in place prior to purchase of goods or services. Once the goods or services are received, an invoice requires approval to allow payment to the vendor. The anticipated encumbrance figures will be purchase orders in this process. All 'standing' purchase orders will be closed for the end of the fiscal year and re-opened in the following fiscal year. The projection takes this practice into account.

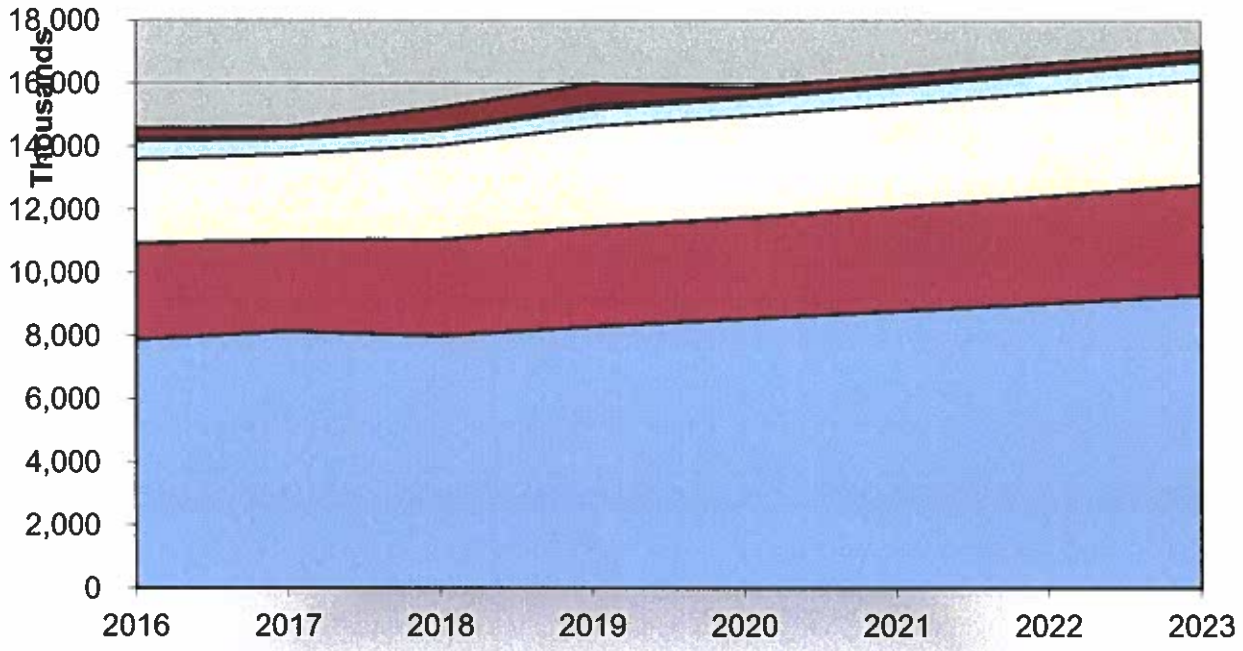
Line 10.010 – Fund Balance June 30 for Certification of Appropriations

This line item tracks the ending cash balance including encumbrances. According to the Ohio Revised Code, this number cannot be negative.

Total Expenditures, Revenues and Fund Balances



Expenditures by Category



-
- Personal Services
 Employees' Retirement/Insurance Benefits
 Purchased Services
- Supplies and Materials
 Capital Outlay
 Intergovernmental
- Other Objects
 Total Other Financing Uses

Huron City Schools - True Days Cash Calculation FY2015 through FY2023

