



CLEAR FORK VALLEY LSD

Five Year Forecast Financial Report

May, 2018

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Forecast Purpose/Objectives

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

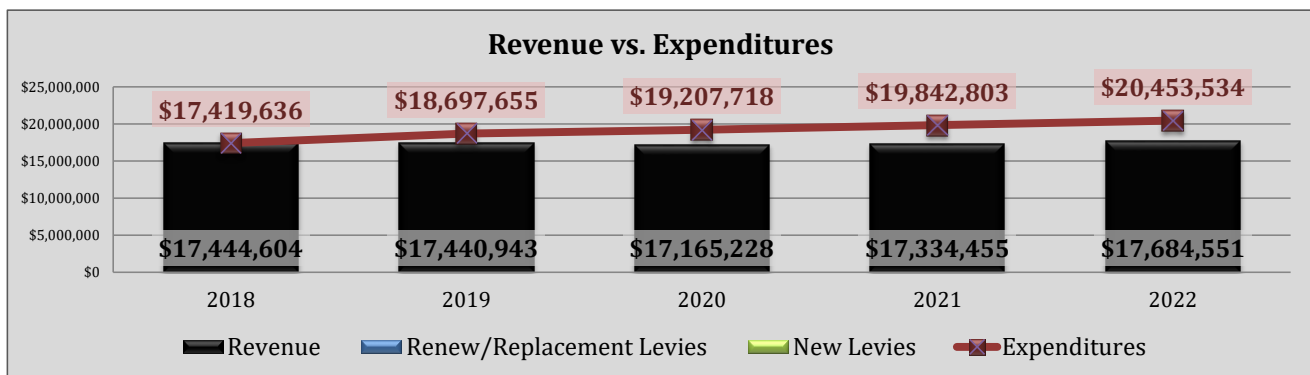
1. To engage the local board of education and the community in the long range planning and discussions of
2. To serve as a tool to make informed decisions.
3. To provide a framework to reference for rational for decisions.

Five Year Forecast - Simplified Statement

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Beginning Balance	4,551,231	4,576,199	3,319,487	1,276,997	(1,231,351)
+ Revenue	17,444,604	17,440,943	17,165,228	17,334,455	17,684,551
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(17,419,636)	(18,697,655)	(19,207,718)	(19,842,803)	(20,453,534)
= Revenue Surplus or Deficit	24,968	(1,256,712)	(2,042,490)	(2,508,348)	(2,768,983)
Ending Balance	4,576,199	3,319,487	1,276,997	(1,231,351)	(4,000,334)
Revenue Surplus or Deficit w/o Levies	24,968	(1,256,712)	(2,042,490)	(2,508,348)	(2,768,983)
Ending Balance w/o Levies	4,576,199	3,319,487	1,276,997	(1,231,351)	(4,000,334)

Summary:

The five year forecast is a tool used to project the revenues and expenditures over a five year period with three years of historical balances in the General Fund. The data in the forecast is completed using a comprehensive analysis of historical trends in revenues and expenses. The Five Year Forecast is intended to assist the Board of Education in overseeing the management of the district's resources and planning for the district's future by illustrating trends and estimating future values for evaluation. The Treasurer is responsible for the reasonableness of the assumptions on which the forecast is based. Variances may arise between forecasted amounts and actual results when unexpected events and circumstances occur and/or changes in state laws and budgets happen, thus the assumption used to generate the forecasted amounts will change over time. The five year forecast is based on assumptions therefore the accuracy of the forecast is dependent on the basis and foresight of the assumptions that create the predicted trends. The district financial position is stable for the current forecast and the two year's to follow. The cash balance will remain adequate through the end of Fiscal Year 2019, however by Fiscal Year 2020 the district must have a plan to balance the budget and keep the expenditures at or below the revenues beyond that point. In Fiscal Year 2019 the cash balance is approaching a recommended bottom line cash on hand balance. Due to reducing expenditures on a bus replacement and not purchasing curriculum from this year's budget, the savings on supplies and capital outlay allowed the district to balance the budget this fiscal year with our expenditures running close to, if not slightly less then our revenues for the fiscal year. As projected in the previous 5 years of forecasts, in Fiscal year 2019 our expenses are projected to exceed our revenues. Should the practice of expenses exceeding revenues occur beyond Fiscal Year 2019 the district is projected to have a negative cash balance within 3 years which at that point would place the disctrict in fiscal caution . Discussion on how to cut expenditures by fiscal year 2019 occurred at a work session meeting held on December 8, 2016 and at the June 8, 2017 regular board meeting.

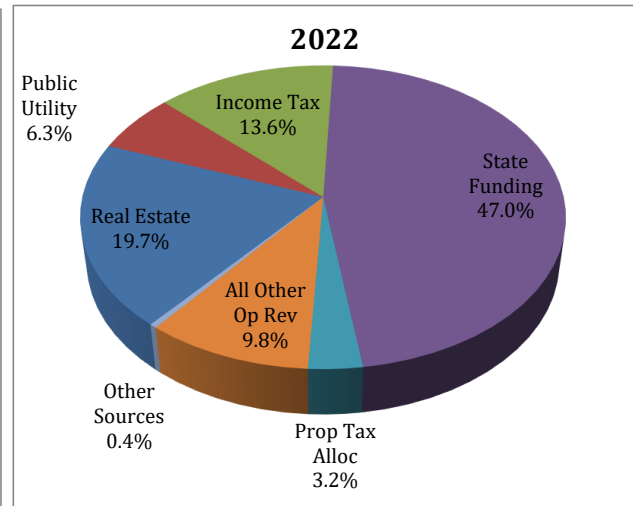
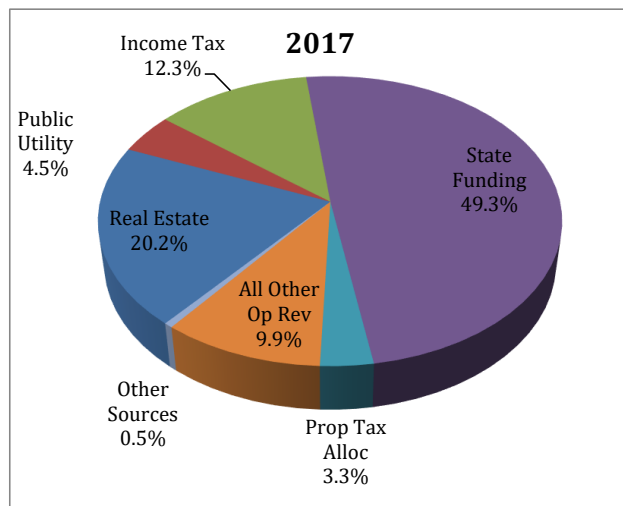


Revenue Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	
Revenue:							
1.010-Real Estate	-0.96%	1.46%	-1.83%	0.51%	0.50%	0.39%	0.21%
1.020-Public Utility	281.52%	13.48%	9.36%	5.95%	5.62%	5.32%	7.95%
1.030-Income Tax	255.26%	1.27%	3.00%	3.00%	3.00%	3.00%	2.65%
1.035-State Funding	0.62%	1.06%	-0.08%	-4.88%	0.22%	2.52%	-0.23%
1.040-Restricted Aid	66.25%	-7.15%	0.97%	-0.91%	0.10%	-0.63%	-1.52%
1.045-Restr Federal SFSF	-100.00%	0.00%	-100.00%	0.00%	0.00%	0.00%	-20.00%
1.050-Property Tax Alloc	1.17%	0.30%	-0.78%	0.49%	0.45%	0.34%	0.16%
1.060-All Other Operating	4.66%	5.68%	-3.75%	-0.60%	0.41%	0.52%	0.45%
1.070-Total Revenue	4.00%	2.12%	-0.02%	-1.59%	0.99%	2.03%	0.71%
2.070-Total Other Sources	49.46%	-19.27%	0.00%	0.00%	0.00%	0.00%	-3.85%
2.080-Total Rev & Other Srcs	4.06%	2.00%	-0.02%	-1.58%	0.99%	2.02%	0.68%

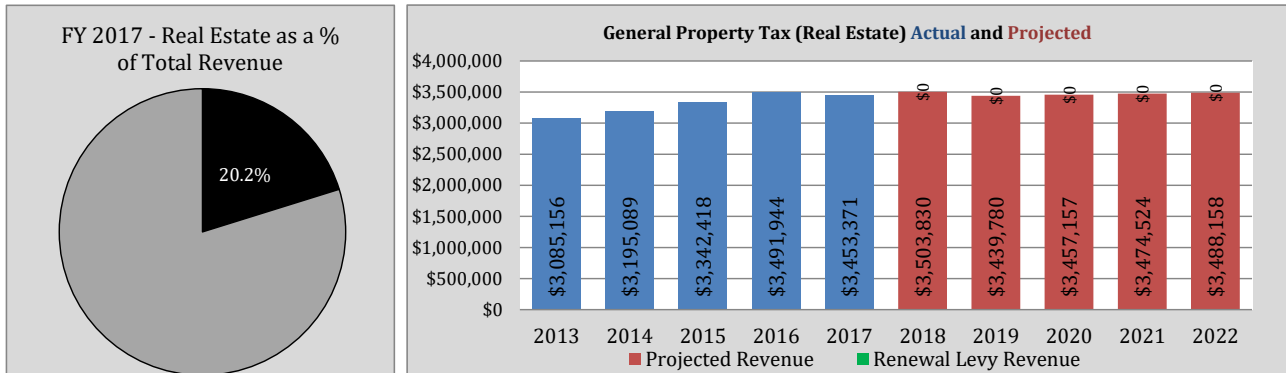
Lines 1.01 (General Property Tax), 1.030 (Income Tax), 1.035 (Unrestricted State Funding) and 1.060 (All Other Operating Revenue) represent over 90% of the district's annual income. These lines are all significant and revenue expectations for these lines are based on historical trends. These lines are highlighted in yellow above.

Revenues are largely effected by policies and circumstances that are beyond the district's control. Due to this factor, in order to provide the board with a realistic estimation of the future income streams I have not projected significant increases over the next five years. An over projection of increases in the future revenues would not be fiscally responsible and could potentially lead to even more deficit spending. The 4% total revenue increase over the past 5 years is affected in large by the Income tax which has not been in effect for the entire 5 year history. The total revenue increase is conservative but realistic as it uncertain that property valuation will contue to increase. It was less than a decade ago there was large downward trend in property valuation and a slump in the economy so predicting large increases would not be prudent based on historical trends. It is also uncertain how the state will fund schools beyond the two year budget. Because over projecting revenue growth could potentially lead to overspending a conservative but realistic slow growth has been forecasted.

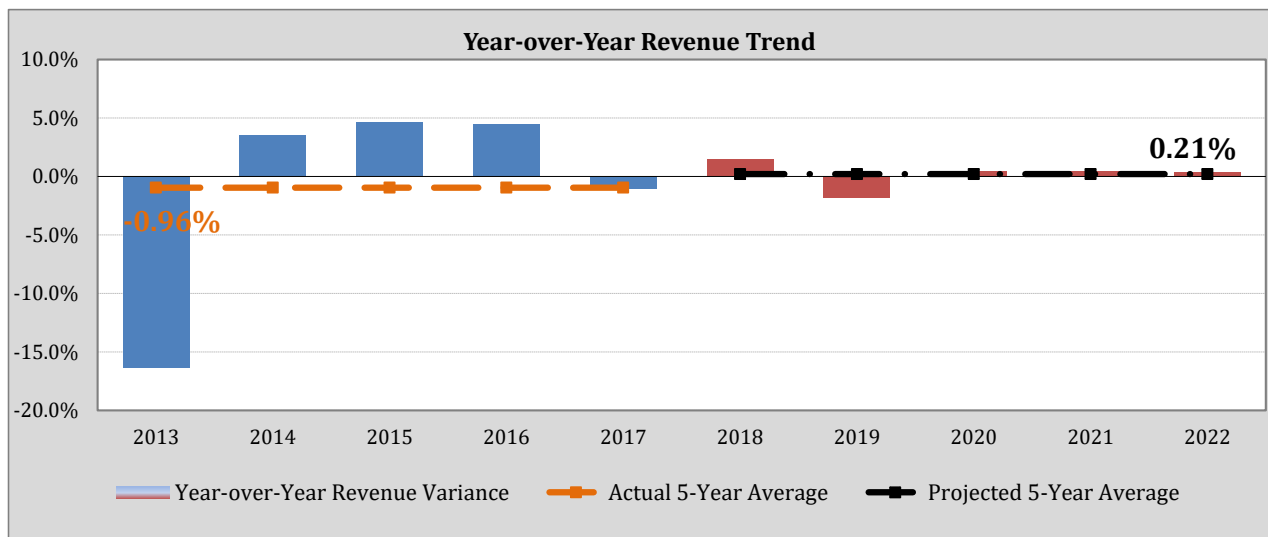


1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



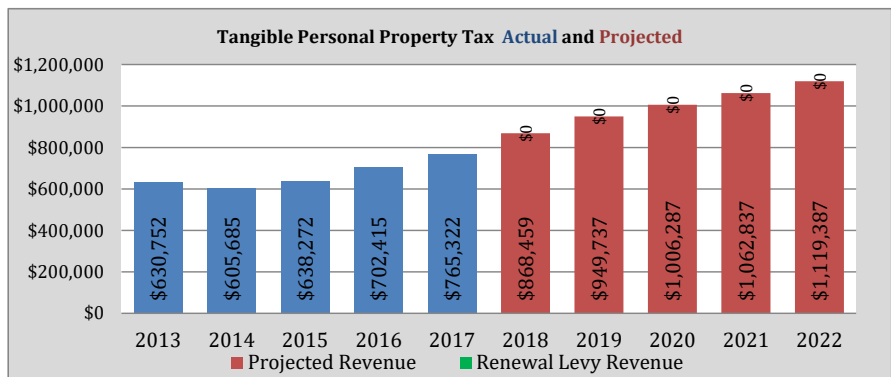
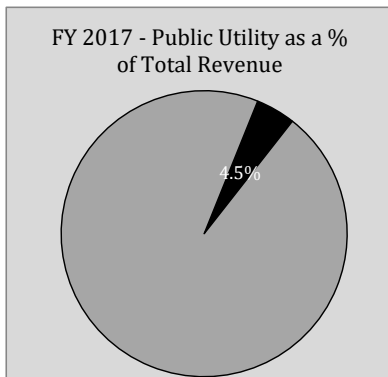
General Property Tax forecasted amounts are based on the district's total overall property valuation, which in 2017 was \$213,946,520. Changes in valuation are postulated on historical growth, board of revision adjustments, new construction, the districts ability to collect and county reappraisals and updates which occurred last year. For outside or voted millage, because of the state changing the CAUV property valuaion the district is slightly above the 20-mill floor on Class I property taxes (20.36) which means as Agricultural and Residential valuations increase, tax collections will not increase because the district's millage rate will drop. Currently the Class I valuation is \$180,317,040. The district is at 25.4 mills on Class II property which includes mineral, industrial and commercial property which has a valuation of \$12,446,440. Reductions in Real Estate tax collections come from delinquent taxes and Board of Revision challenges and reductions in property valuation. I have forecasted an allowance of a 3.5% delinquency rate over the 5 years of the forecast based on historical collection rates. This revenue accounts for over 20% of the district's overall general fund income. The current valuation reflects an actual decrease of \$9,033,570 in Agricultural Class 1 property due to changes in CAUV calculations and an increase of \$5,324,330 in Residential Class 1 Valuation. These changes combined with the increase in Public Utility Valuation and the increase in Class II Commercial Valuation combined to decrease in valuation after the reappraisal by a net \$1,211,670. Other changes in Real Estate Collections were the result of some residents prepaying their 2018 Real Estate taxes prior to the 2018 calender year in anticipation of the changes in Federal Income Tax deductions that took place withthe new tax codes.



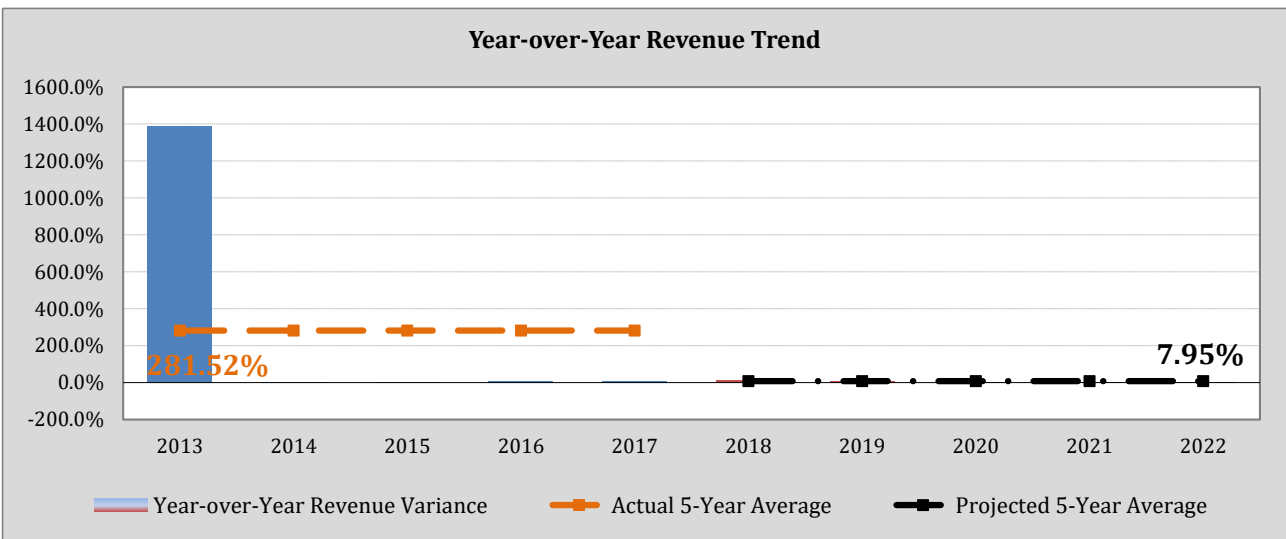
*Projected % trends include renewal levies

1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



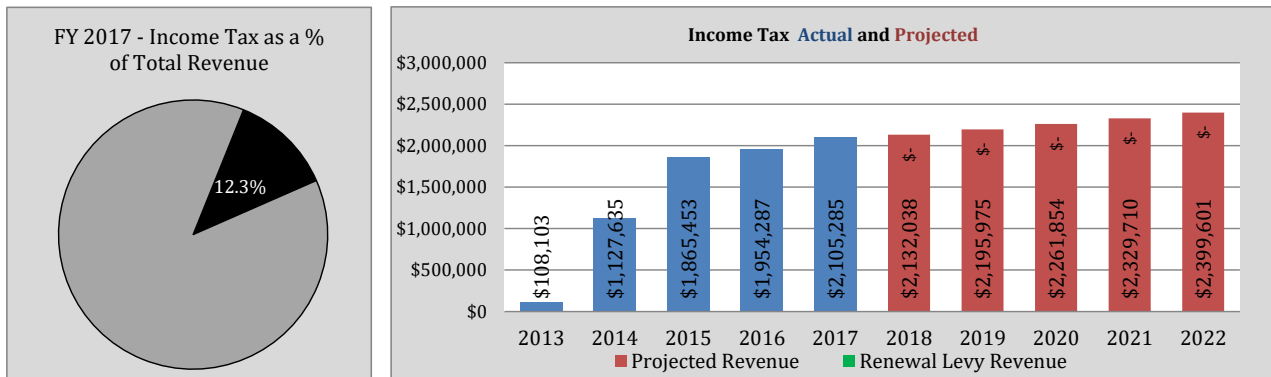
Public Utility Personal Property valuations for tax revenue from the Public Utilities show slight increases. This has been due to new substations and transmission lines for electric providers in recent years. A slight 1.5% increase in has been projected for this line for the next five years of the forecast. This revenue source accounts for about 4.5 % of the overall revenue for the district. Public Utility Property Valuation is projected to increase around \$250,000 per year over the next 5 years.



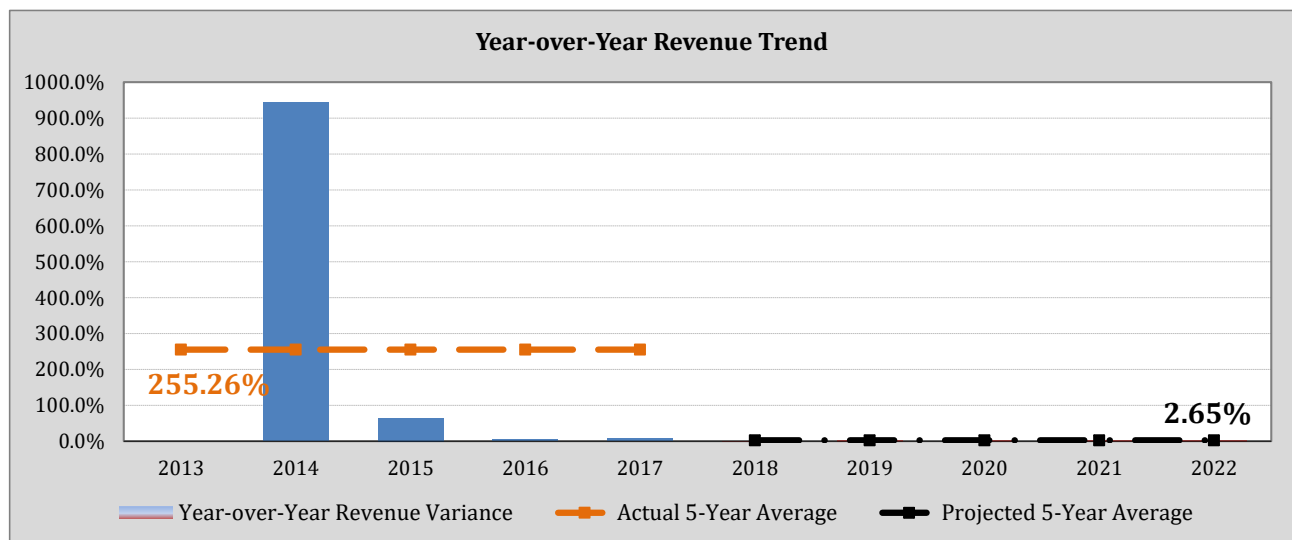
*Projected % trends include renewal levies

1.030 - Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.



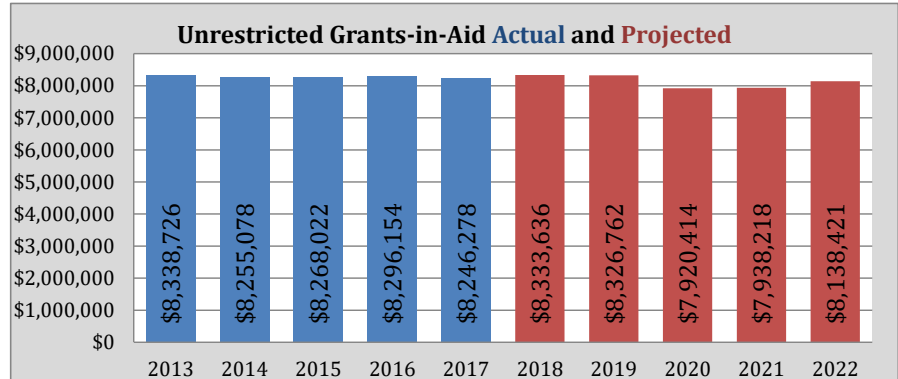
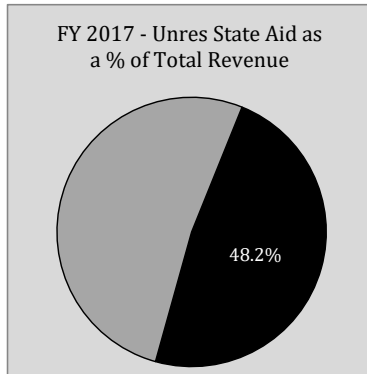
A 1% Earned Income Tax was passed effective January 1, 2013 and was renewed in Fiscal Year 2016 to continue through December 31, 2037. FY2015 was the first fiscal year of full collection. This revenue accounts for slightly over 12% of the districts general fund revenue which is slightly over \$2 million annually. A conservative 3% increase is forecasted for this revenue stream for the remaining years of the forecast. Since the district has not had this revenue stream for a long period of time and has collected income taxes at a full rate for an even shorter period of time future projection have been based on analysis of the census data of the average annual household income over the past 20 years for the district. This revenue stream as dynamic and will rise and fall with the economy and the prosperity of the district's residents. A quarter of the district's income tax is pledged to repay the bond that was borrowed to build the new facilities leaving the remainder for operating expenditures. This fiscal year the income tax did not see the 3% growth that was projected but rather reflected a more modest 1.27% gain over last year.



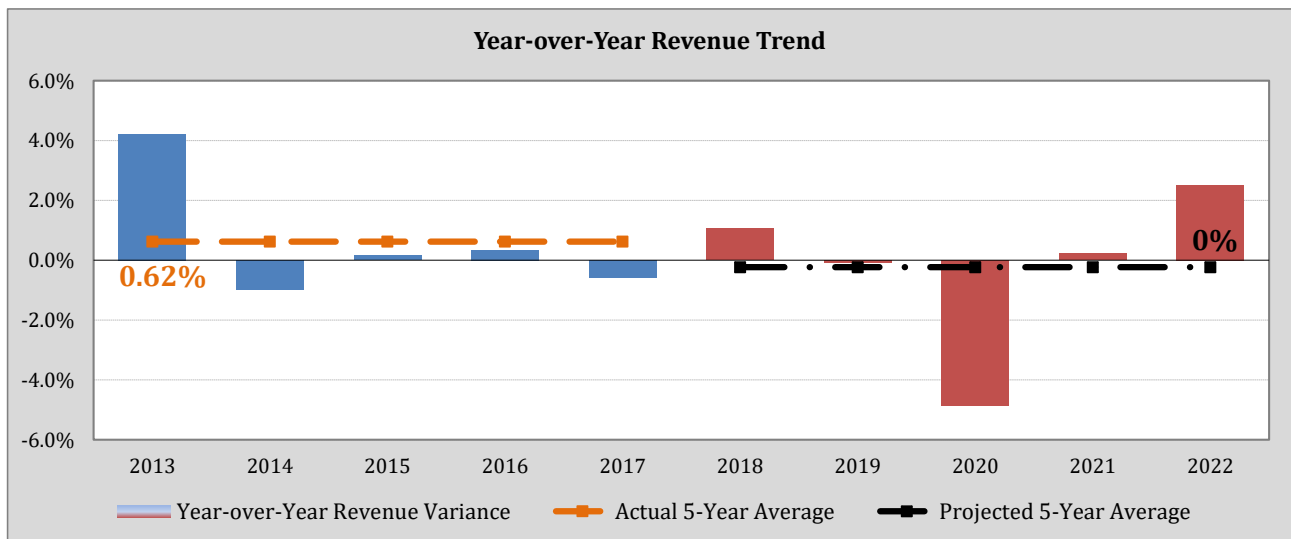
*Projected % trends include renewal levies

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.

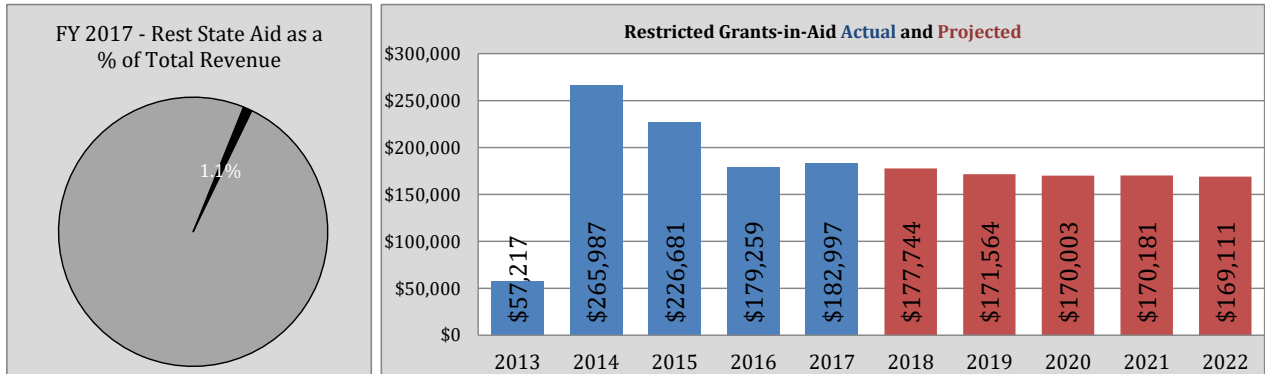


This line in the forecast labeled Unrestricted Grants-in-Aid reflects the State Foundation Payments which are received twice per month. The revenues that are included in this line are in areas such as: Opportunity Grant, Targeted Assistance, K-3 Literacy Finding, English Proficiency, Gifted Education funding, Special Education Additional Funding, Special Education Preschool Funding and Casino revenue. Ohio's biennium budget (HB49) was passed into law in for the FY18 and FY19 School Years on July 36 of 2017. Because the budget is bi-annual and based on factors that are subject to deliberations and approval of the Ohio General Assembly only Fiscal Year 18 and Fiscal Year 19 can be forecasted using this state budget. Several factors combine in determining the amount of state foundation we receive such as enrollment and the wealth of the community relative to the state. Clear Fork is currently subject to the transitional aid "guarantee" which means that we are projected to receive the same funding amount from the state foundation than we did in Fiscal Year 15. Changes in state funding are primarily due to changes in the manner in which transportation is funded by the state. In order for the district to come off of the Guarantee and be funded based on the state's formula the district would need to add over 130 students. Unrestricted Grants-in-Aid account for slightly over 48% of our overall revenues. Because it is the intention of the state to move all districts to be "formula" funded and because there have already been reduction to state aid for districts whose enrollment has declined by over 5%, I have forecasted a reduction of 5% in state funding starting in the next bi-annual budget which will take effect in 2020.

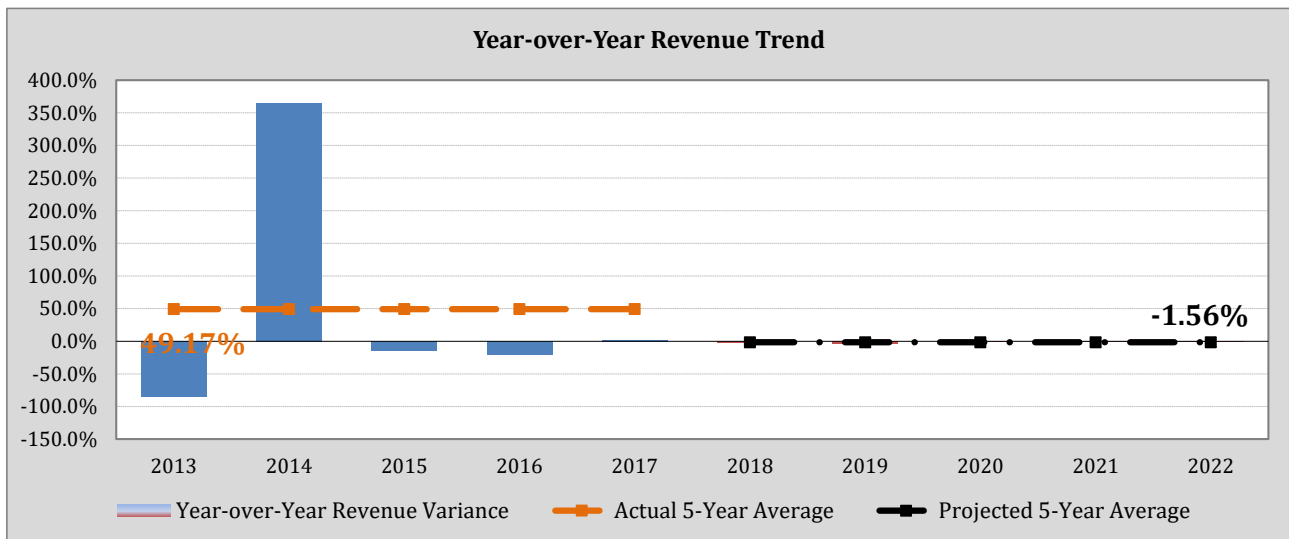


1.040 & 1.045 - Restricted Grants-in-Aid

Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.

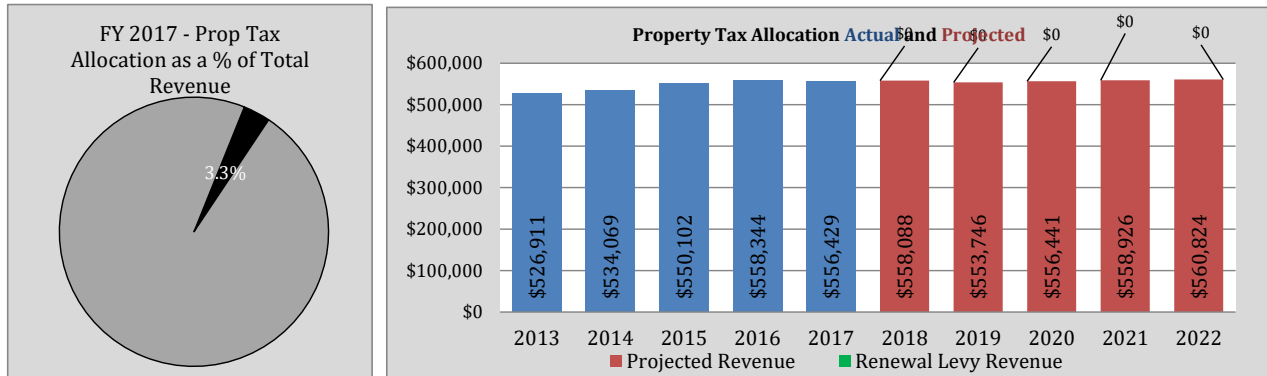


Receipts in this line include Career Tech funding as well as the Economic Disadvantaged Funding. Changes in this line are due to the projections of the Local Wealth per Pupil changing compared to the state average wealth per pupil. Overall this revenue stream accounts for slightly more than 1% of the districts overall revenue so it is not a significant funding factor. Changes in this line are mainly due to changes in Career Tech funding because of projected changes in ADM. Restricted Aid must be spent on initiatives such as extended school day/year, reading Improvement/intervention, Instructional Technology or Blended learning, PD for K-3 reading instruction, Dropout prevention, Safety and Security measures or Academic Interventions in grades 6-12. The district must submit a report to ODE by 10/31 of each year demonstrating how this funding was spent in those particular areas.

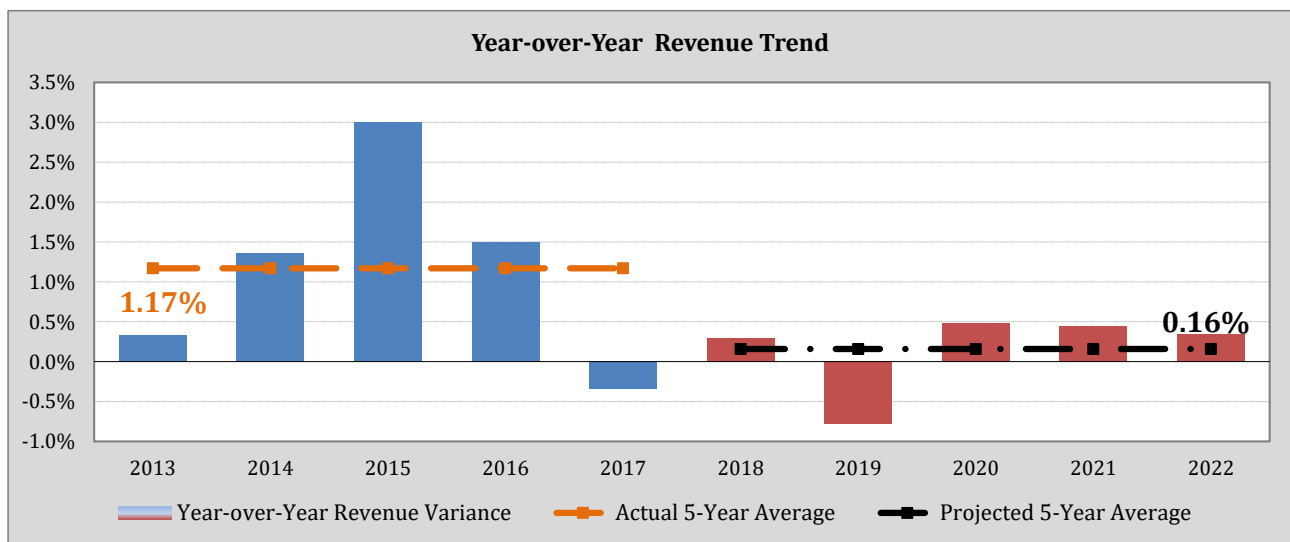


1.050 - Property Tax Allocation

Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Deregulation, Homestead and Rollback.



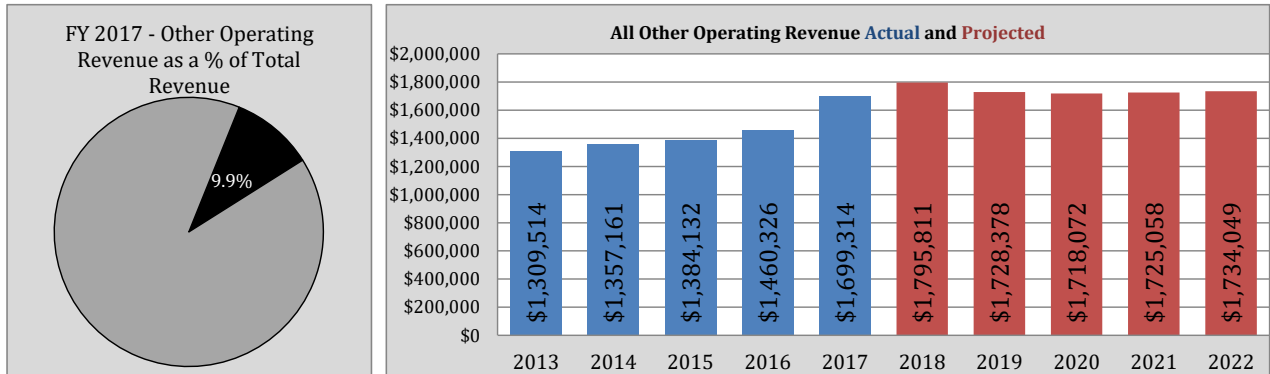
Homestead, Roll-back and Property Tax allocation is projected with minimal changes. This revenue comes from the state and is based on reimbursement of property tax exemptions like owner-occupied homes and homestead which is influenced by property valuations and the payment of taxes. This projection is based upon two payments during each fiscal year. This funding amounts to slightly over 3% of our annual revenue. Homestead exemptions reduces the property tax burden on low-income senior citizens and disabled residents in the form of a credit on their tax bill of up to \$25,000. Typically as an area's population increases the Homestead percentage increases.



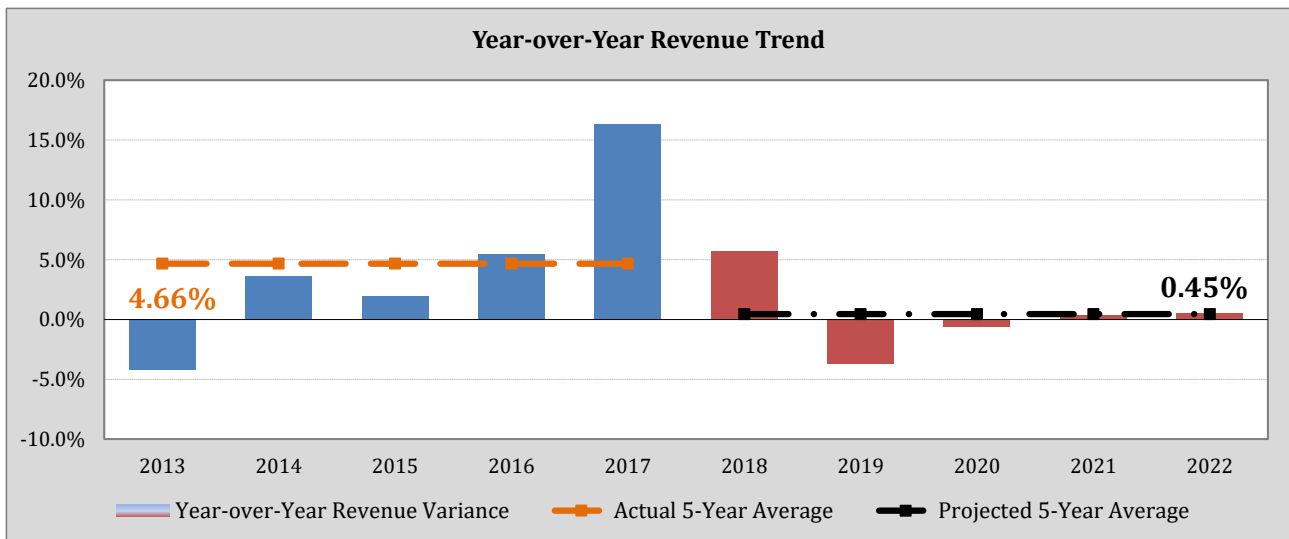
*Projected % trends include renewal levies

1.060 - All Other Operating Revenues

Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.

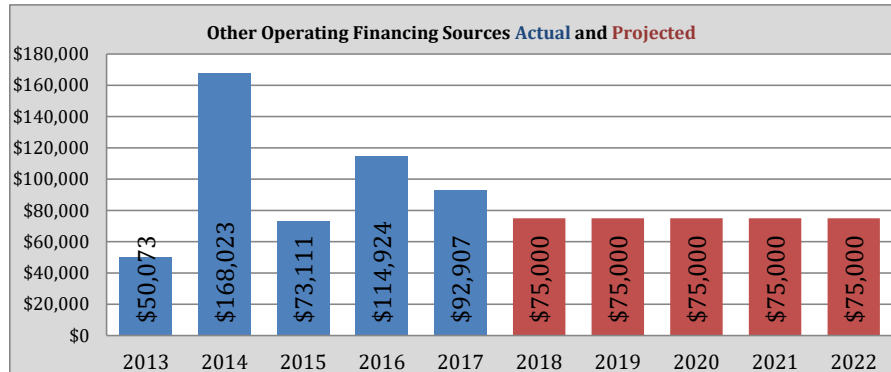


This revenue comes from things such as Interest on Investments, Open Enrollment, Preschool Tuition, Fees, Medicaid Reimbursements, Workers Compensation Refunds, Insurance Refunds, Rental Income and charges to other districts for shared services to list a few, and at almost 10% of the overall district revenue this funding is a significant factor. The vast majority of this revenue comes from Open Enrollment and an average of .9% increase in open enrollment incoming is projected in this line for the remainder of the Forecast. Minimal annually changes for Other Revenue have been projected for the five years of this forecast because the funding sources for this line are relatively stable and barring any significant policy changes will most likely remain steady. So far in FY18 the district has earned over \$98,000 in interest on investments, compared to FY17 at slightly over \$70,000 and FY16 at slightly over \$50,000 and FY15 at above \$38,000. Combining these revenue increases with additional open enrollment has contributed to the increase. I am projecting to earn less revenue on investments next year and the remaining years because our cash balance will be falling so there will be less money invested to earn the interest.

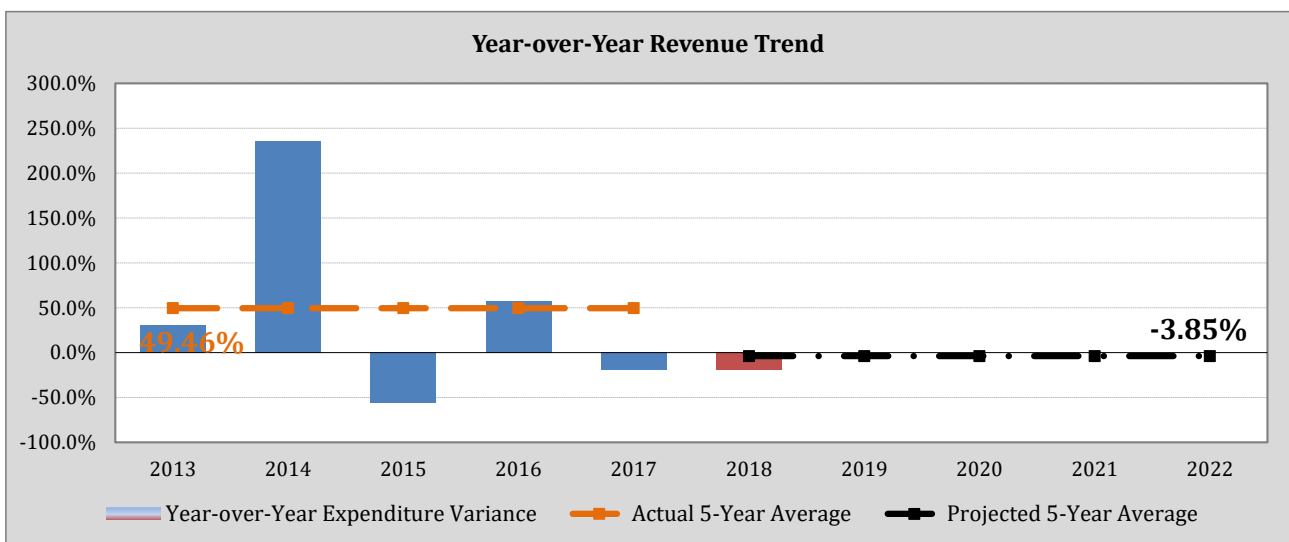


2.070 - Total Other Financing Sources

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



This line reflects the reimbursement of advances and any refunds from expenditures that occurred in the previous year or years. At .7% the revenue from this line is not significant in the funding of the district and since the overall dollar amount for this line is small any changes here are reflected at large percentage changes but are small dollar amounts relative to the entire revenues collected.

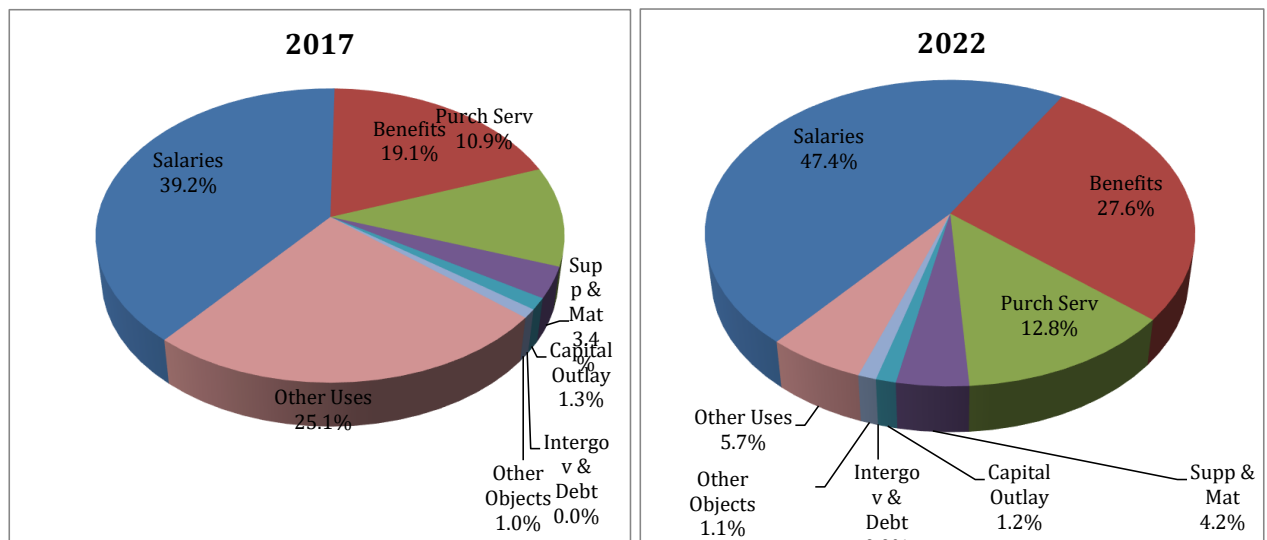


Expenditures Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	
Expenditures:							
3.010-Salaries	1.83%	4.07%	2.25%	1.93%	3.06%	3.25%	2.91%
3.020-Benefits	1.78%	0.80%	12.13%	6.55%	7.00%	7.13%	6.72%
3.030-Purchased Services	7.47%	5.56%	2.88%	1.65%	0.54%	0.56%	2.24%
3.040-Supplies & Materials	6.16%	25.41%	3.59%	-0.57%	-3.14%	-5.88%	3.88%
3.050-Capital Outlay	28.41%	-10.28%	2.27%	-1.52%	10.63%	-12.20%	-2.22%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.300-Other Objects	2.73%	2.75%	2.43%	0.09%	0.09%	0.10%	1.09%
4.500-Total Expenditures	2.52%	4.17%	4.86%	2.90%	3.52%	3.26%	3.74%
5.040-Total Other Uses	254.89%	-86.98%	66.46%	0.15%	0.05%	0.22%	-4.02%
5.050-Total Exp & Other Uses	9.00%	-18.72%	7.34%	2.73%	3.31%	3.08%	-0.45%

Lines 3.010 (Personnel) and 3.020 (Benefits) account for around 77% of the districts operating expenditures and when Purchased Services are included (line 3.030) that accounts for roughly 90% of the district's expenses. Expenses in these first three categories are significant and have the greatest impact on the overall expenditures. Estimated increases in expenses are based on negotiated agreements between the district and the labor unions, historical trends, market trends and district needs.

A slightly higher increase in expenditures has been projected for the next five years than has occurred over the previous five years due in part to lower than average insurance increases over the past several years. Focusing on line 4.500 in the above chart, there is about a 1% variation between the historical change in expenditures and what has been projected to occur over the next 5 years.

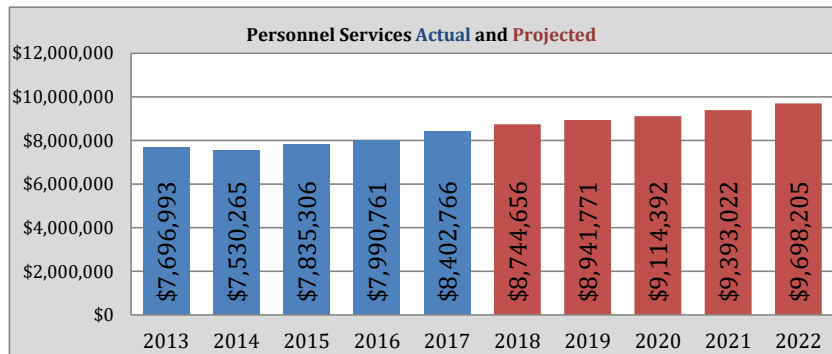


3.010 - Personnel Services

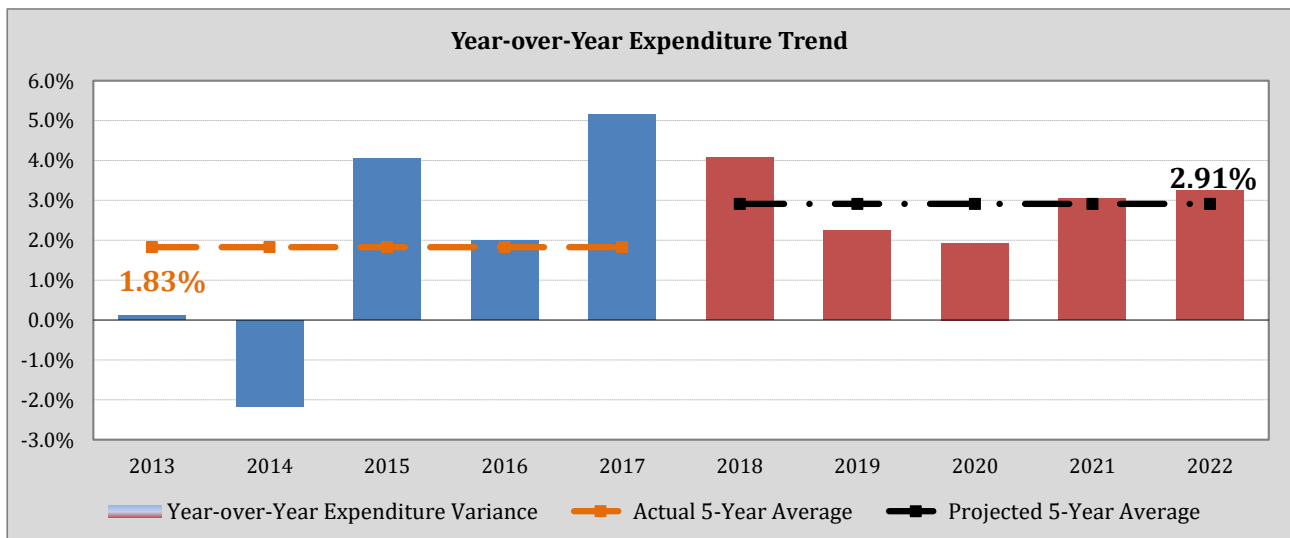
Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc.

Enrollment Change:

	Student ADM	Employee FTE
2012	1,860	193
2013	1,868	193
2014	1,818	203
2015	1,774	197
2016	1,686	200
2017	1,691	205
2018	1,680	203
2019	1,674	203
2020	1,639	203
2021	1,643	203
2022	1,619	203

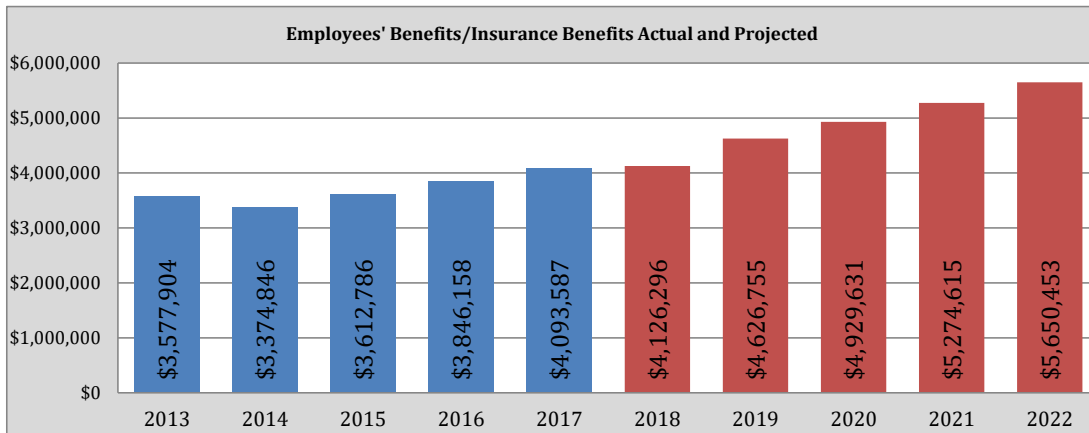


Expenses in this line are salaries that are based on the collective bargaining agreements between the Clear Fork Valley Education Association, the Ohio Association of Public School Employees local 282 and the Clear Fork Board of Education. Salaries constitute about 53% of the district's operating expenditures. If you include the debt service for the new facilities the percentage of expenditures for personnel decreases to about 40%. New negotiated agreements gave both certified and classified staff salary increases of 1.5% in fiscal years 2017, 2018, and 2019 including steps. For fiscal years 2018 through 2022 an average step increases is assumed at 2.8% each year for certified staff which is a reflection of the salary schedule from the negotiated agreement. Also for fiscal years 2018-2022, an education step increase of .2% was projected to anticipate degree changes. Combined, the average step increase, the projected increase on the base and the projected increase for movement within the salary schedule is a 4.5% increase in salary for certified staff annually. Classified's annual average step increase is 2% and there is no option for degree changes. A 1.5% increase has been built in to Classified salaries for the remaining fiscal years resulting in an average total increase of 3.5% in Classified wages projected for the remainder of the forecast. Changes in staffing also effect the annual expenses in this line. In Fiscal Year 2018, personnel or salary per pupil is projected to increased 5.9% to \$5,267 per pupil which is comparable to the previous years increase. As enrollment declines the per pupil expenditures increase and in the past 5 years (since 2013) enrollment has declined about 10% but employee positions are not able to be reduced as similar rates.

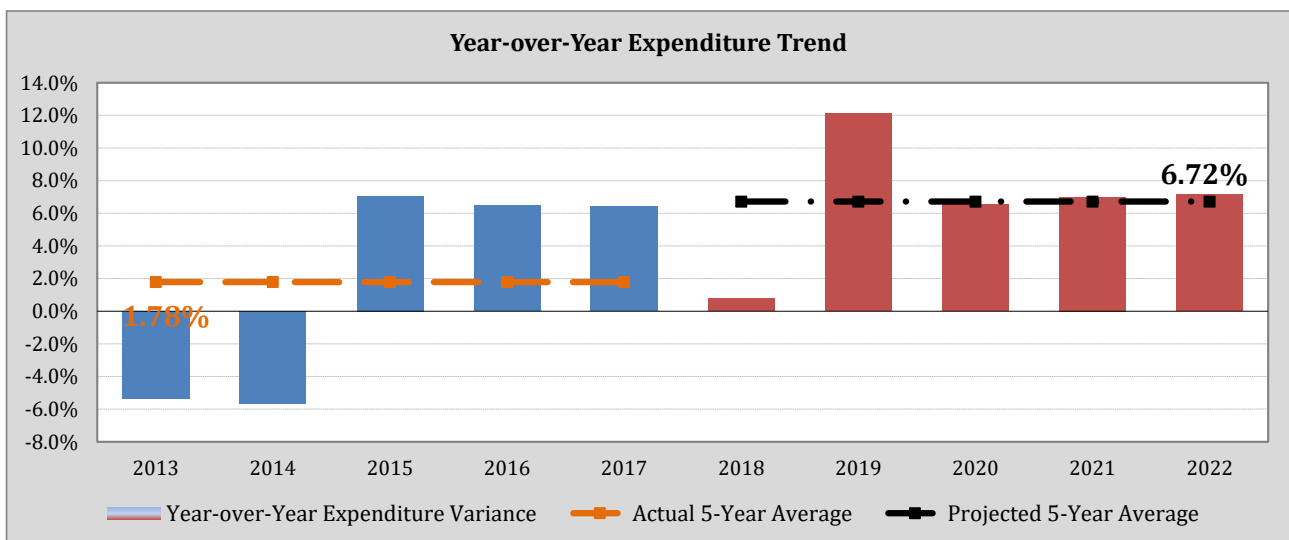


3.020 - Employees' Benefits

Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.

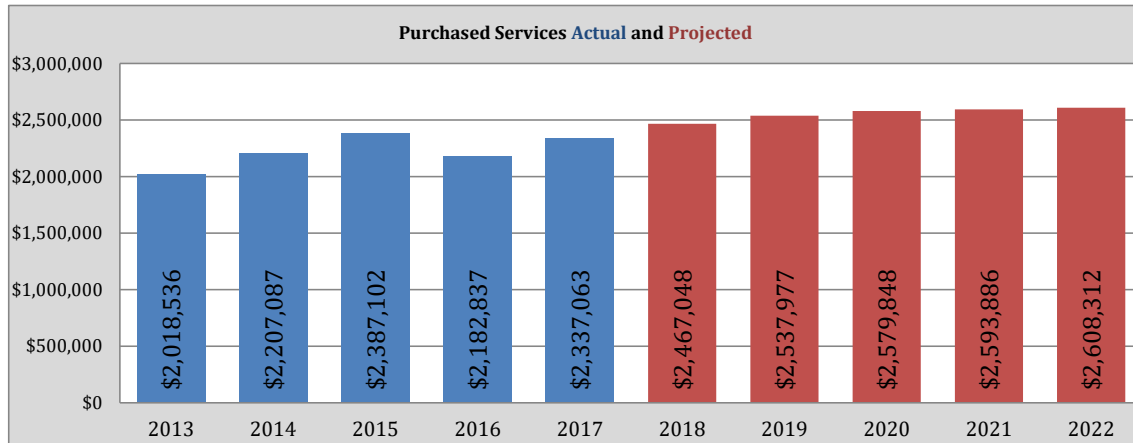


At about 24% of the operating expenditures benefits constitute a significant portion of the district's annual expenditures. Once again, including debt service for the new facilities decreases benefits as a percentage of expenses by about 4%. Expenditures in this line represent retirement, insurances, Medicare, workers compensation and tuition reimbursements. Projections are based on salary based fringe benefits calculated at 15.9% of salaries which is comprised of fringes for projected salaries in each fiscal year for STRS (14%), SERS (14%), Medicare (1.45%), and Worker's Comp (0.44%). Also included is the 2.31% composite increase in healthcare premiums for this fiscal year, the 7.41% composite increase for next year and a modest 9% increase healthcare premiums for FY2020 through FY2022. Because the rates are starting to increase and because we are experiencing higher claims I have removed the premium holiday for the remainder of the forecast as a projection. Benefits are in a large part tied to wages so as wages increase so do most benefits. Health insurance however is not tied to wages so as Health insurance costs rise at a higher rate than salaries, benefits become a larger percentage of total expenditures.

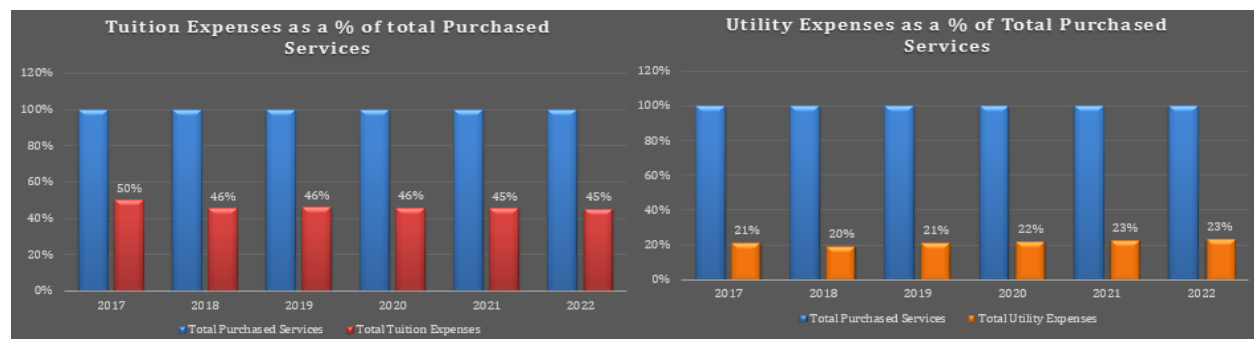


3.030 - Purchased Services

Amounts paid for personal services rendered by personnel who are not on the payroll of the school district, and other services which the school district may purchase.



Purchased Services are 16% of the District's operating expenditures if the debt service is not included, 10% if debt service is included. Expenses accounted for in this line are costs that include professional services, special education and other therapy services, utilities, repairs and maintenance, staff professional development, transportation charges, property and liability insurances, equipment repair, contract agreements and tuition for open-enrollment out and community schools deductions to name a few. Increases for this line are due to instability in utility costs which can be affected a great deal by the weather and alterations in the types and amounts of special education services provided that will change with the needs of the student population. Increases in this line vary depending on the service. Many of these expenditures are not in the district's control as they are services dictated by specific students needs. As shown below, 46% of the purchased service expenditures are tuition expenses that are either a provision a student's IEP or a reflection of a parent's choice. Also illustrated below is the 20% of purchased servies that are utilities. This means that 66% of the purchased services are our of the district's conrol and cannot be dictated by district administration. Of the remining 34% the vast majority of purchased services are either repairs and maintenance, professional development for staff or technical services that are needed to operate and maintain safe, usable facilities. Increases in these expenditures are based on the historical trends for particular services. The majority of the increases in this line are from Special education Tuition and increases in open enrollment out.

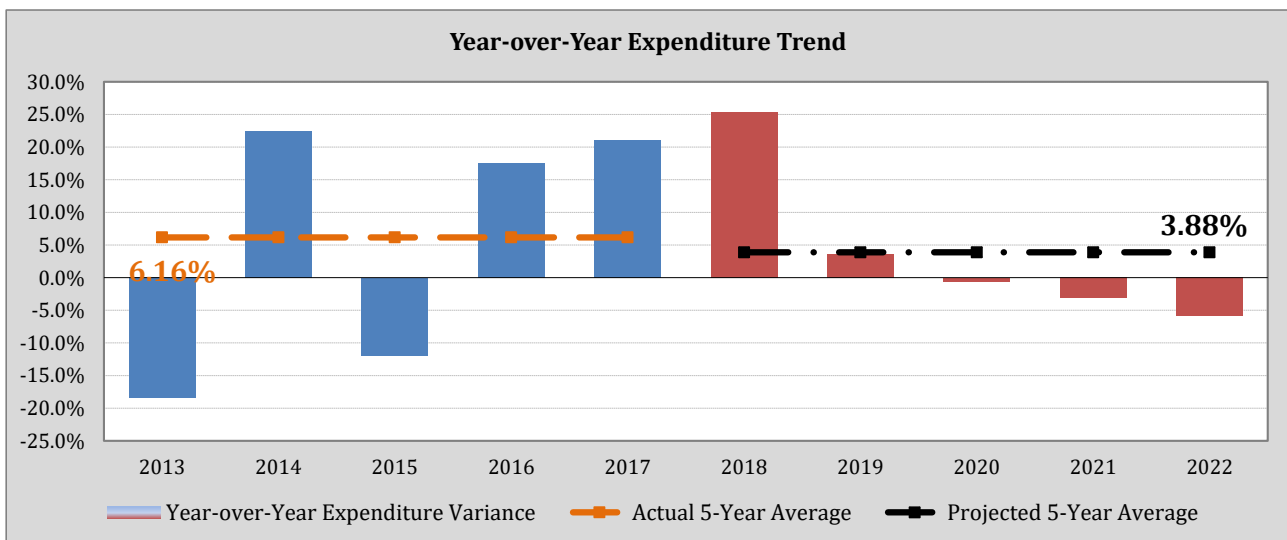


3.040 - Supplies & Materials

Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.

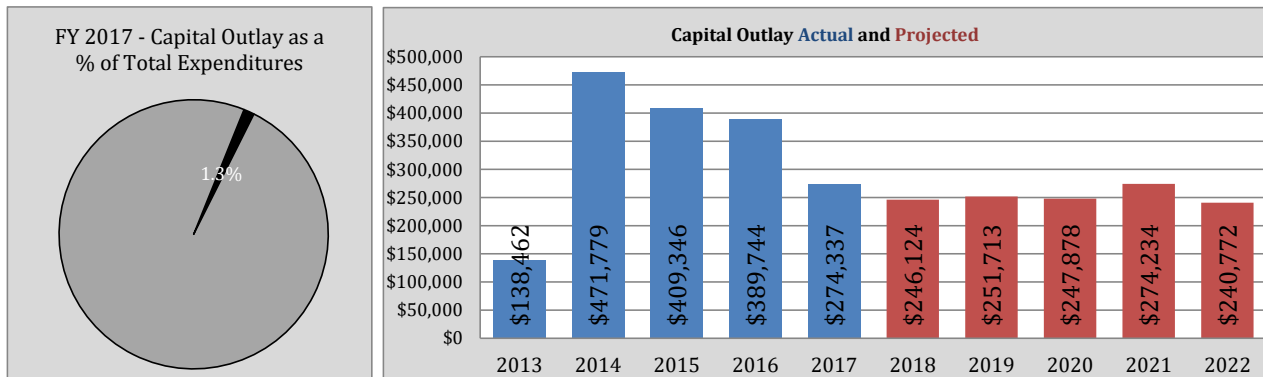


Expenses in this line constitute less than 4% of the overall annual district expenditures. Supplies and materials are based on the needs of the staff and are based on a per pupil budget amount that is provided to each principal to set their building budget. Because of the work session held on December 8, 2016 and on June 8, 2017 I have projected a 5% decrease in the most of the line items that make up these expenditures. In fiscal year 18 we reduced the departmental supplies from 87% of the overall supply costs to about 53% of the overall supply cost, which means the items that are out of the district's control such as college credit plus books, tires, custodial supplies and fuel are the costs that make up the majority of these expenditures.

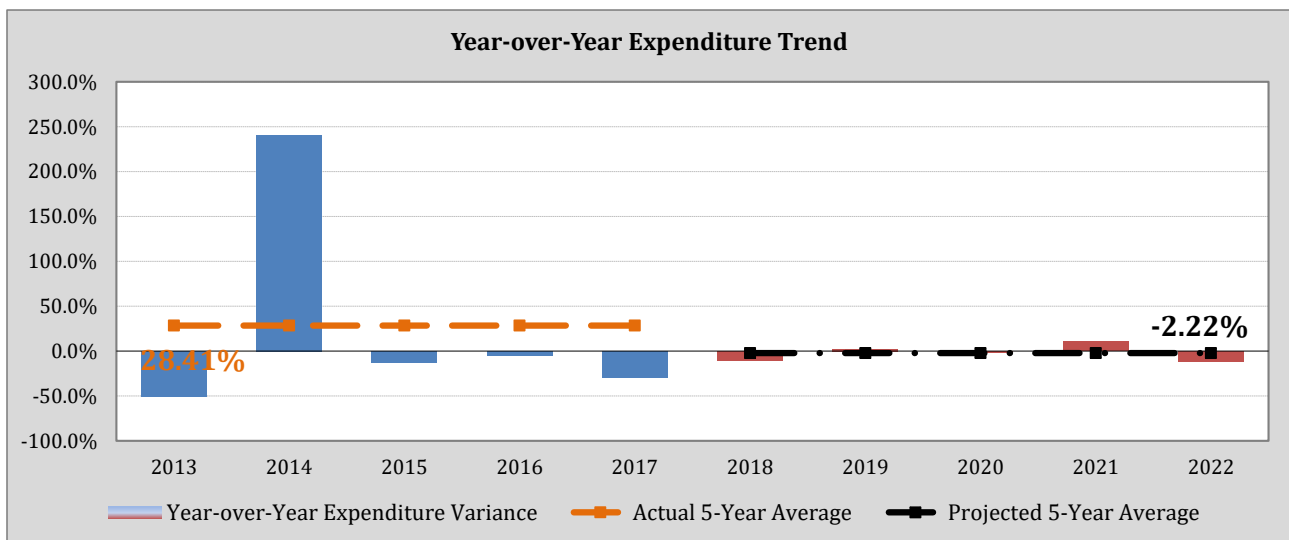


3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.

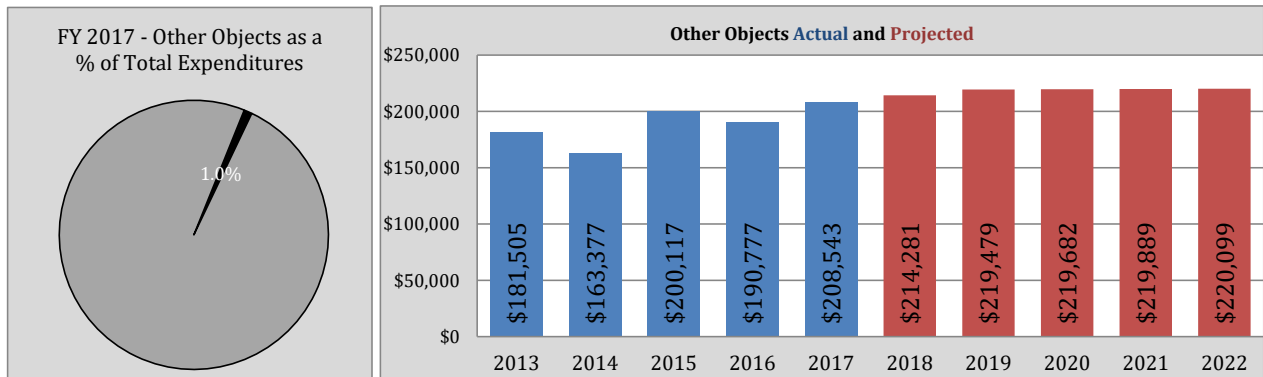


Capital Outlay expenditures in this line only constitute around 2% of the over district expenditures. The District has been purchasing busses at the rate of two buses each year since 2012 to reduce the amount spent on parts/repairs. This year and the remaining 5 years of this forecast have only one bus purchases reflected in this line. Bus purchases make up about 35% of the Capital Outlay Expenditures. Starting in FY18, Chrome books will need to be replaced at a rate of one class set per year so technology equipment was actually increased over the remaining years. The district has set aside the Casino reveue that we recieve, about \$84,000 annually, specifically for technology upgrades and replacement so slightly more than 27% of the Capital Outlay is for technoloy. The remaining 38% is budgeted to replace equipment that breaks, wears out or simply needs replaced or upgraded.

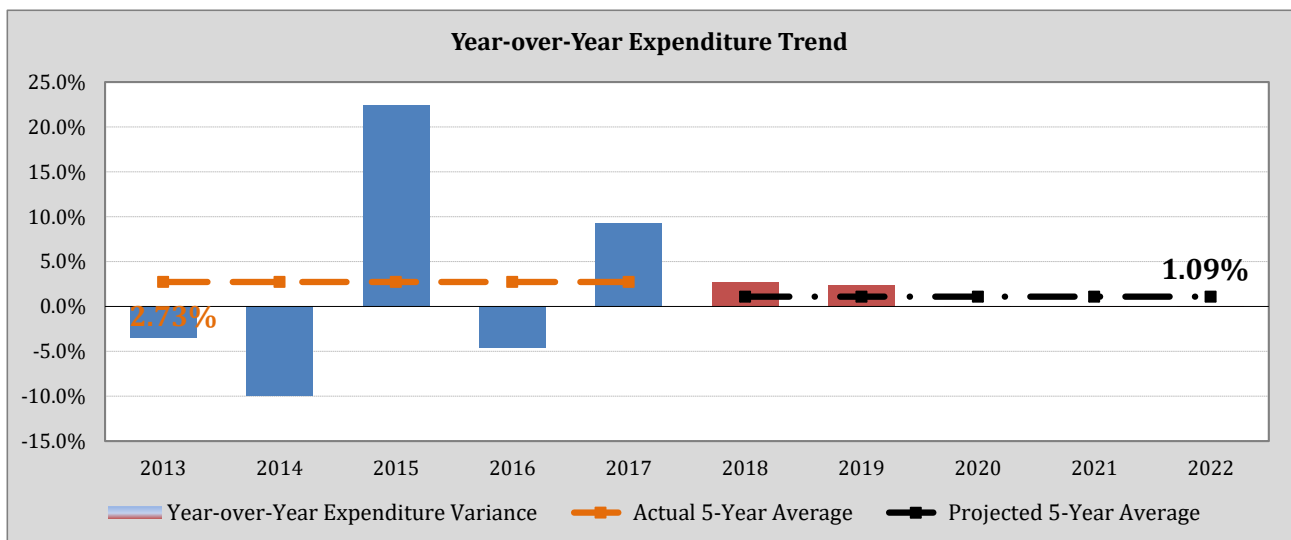


4.300 - Other Objects

Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.

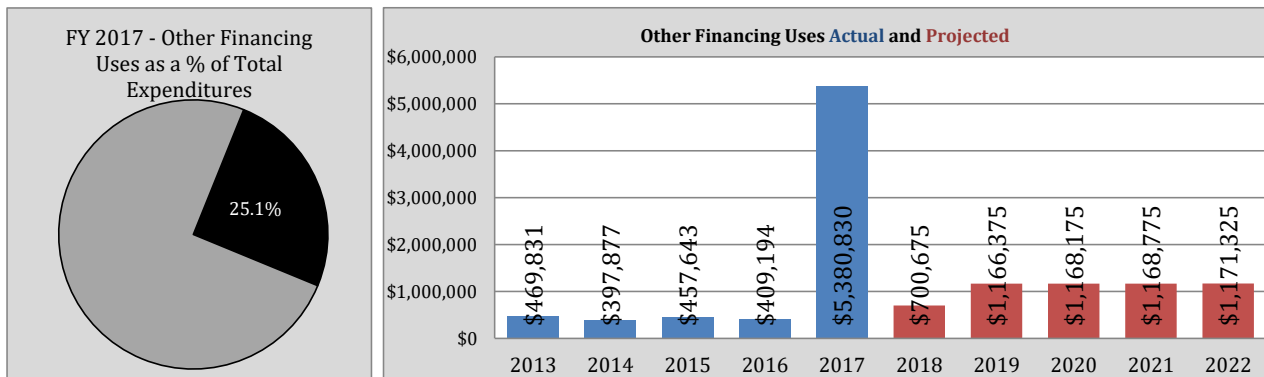


Increases of 2% per year were used for this line. At less than 1.5% of overall expenditures of overall, expenditures from this line are not significant and account for a minimal amount of the overall expenses. Items in this line are expenses such as County Auditor/Treasurer Fees, Bank Fees, Insurances, Audit costs and Board of Elections expenses. Expenditures in this line only constitute slightly over 1% of the over expenditures.

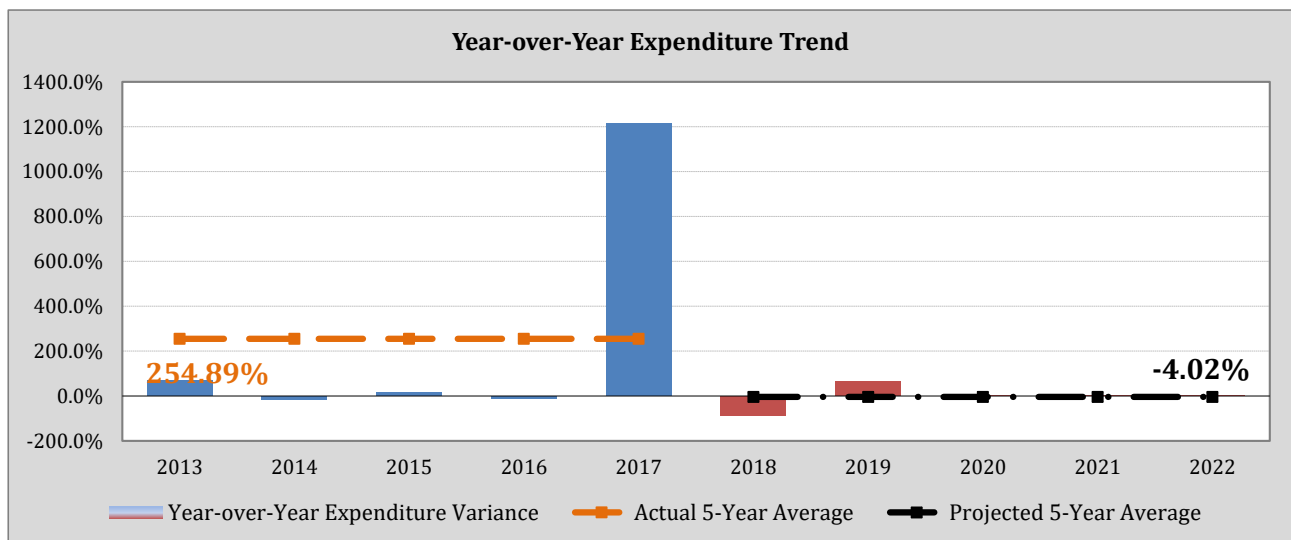


5.040 - Total Other Financing Uses

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



This line includes transfers to the Athletic Fund to cover personnel expenses for supplemental contracts, bussing to extracurricular events, custodial overtime associated with extracurricular events, and the compensation for the athletic director. In September of Fiscal Year 2017 \$5,000,000 was transferred to a Capital Projects Fund (070) to offset the cost of the OFCC Elementary facilities project. Other than that one time transfer, these expenditures only account for around 5% of the total general fund expenses. Because the bond to build new buildings is backed by the district's earned income tax where the proceeds come into the general fund, the bond payments are shown here being transferred from General Fund into the Bond Fund (002). That is the reason that for the increase in FY18-FY22. These expenditures are what was referred to in the previous assumptions as the debt service. The amount that is transferred to cover the expenses of supplemental contracts and extracurricular events is a function of the negotiated agreement and is not able to be cut out without reducing extracurricular activity expenses. The remaining amount is for bond repayment and has been agreed to by the board in order to finance new facilities and cannot be reduced. It increases annually because the debt payment increases annually. This is where the transfer to the newly created trust will be shown and that is another reason for the increase in the remaining fiscal years.



Forecast Compare

Comparison of Previous Forecast Amounts to Current Forecasted Numbers
F.Y. 2018

		Column A	Column B	Column C	Column D
		Previous	Current	Dollar Difference Between Previous and Current	Percent Difference Between Previous and Current
		Forecast Amounts For F.Y. 2018 Prepared on: 10/23/2017	Forecast Amounts For F.Y. 2018 Prepared on: 5/11/2018		
Revenue:					
1	Real Estate & Property Allocation	\$3,990,751	\$4,061,918	\$71,167	1.8%
2	Public Utility Personal Property	\$858,412	\$868,459	\$10,047	1.2%
3	Income Tax	\$2,195,516	\$2,132,038	-\$63,478	-2.9%
4	State Foundation Restricted & Unrestricted	\$8,460,105	\$8,503,551	\$43,446	0.5%
5	Other Revenue	\$1,647,589	\$1,795,811	\$148,221	9.0%
6	Other Non Operating Revenue	\$75,000	\$75,000	\$0	0.0%
7	Total Revenue	\$17,227,374	\$17,436,776	\$209,403	1.2%
Expenditures:					
8	Salaries	\$8,849,218	\$8,744,656	-\$104,562	-1.2%
9	Fringe Benefits	\$3,994,865	\$4,126,296	\$131,431	3.3%
10	Purchased Services	\$2,682,033	\$2,467,048	-\$214,985	-8.0%
11	Supplies, Debt, Capital Outlay & Other	\$1,198,754	\$1,380,961	\$182,207	15.2%
12	Other Non Operating Expenditures	\$939,942	\$700,675	-\$239,267	-25.5%
13	Total Expenditures	\$17,664,812	\$17,419,636	-\$245,176	-1.4%
14	Revenue Over/(Under) Expenditures	-\$437,439	\$17,140	\$454,579	2.6%*
15	Ending Cash Balance	\$4,113,792	\$4,576,199	\$462,407	2.6%*

*Percentage expressed in terms of total expenditures

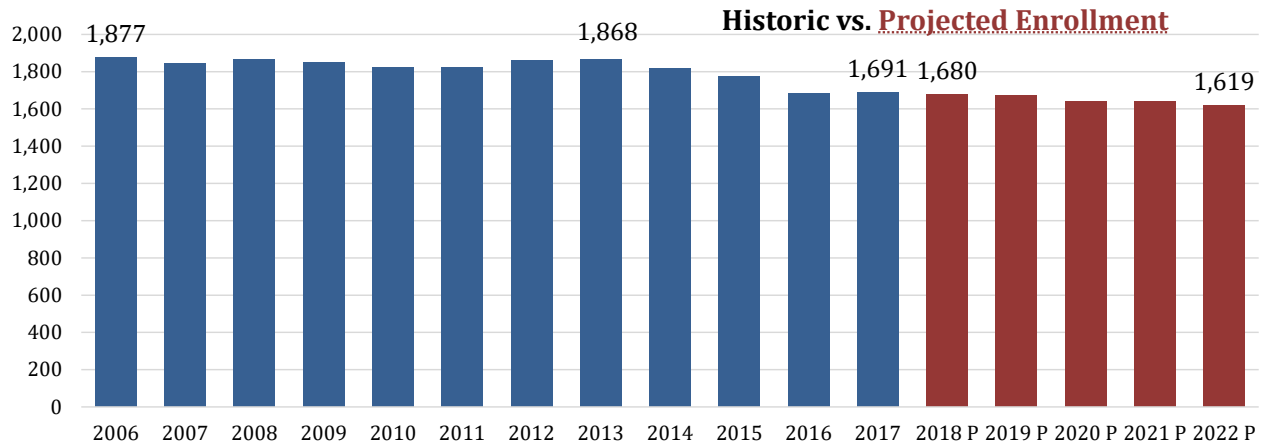
Directing your attention to the cells at the bottom right of the chart above, the current forecast illustrates a overall net variance of expenses of about 2.6%. Since October's forecast the revenues have come in at about 1.2% higher than was originally anticipated and the expenses came in at about 1.4% lower than originally forecasted. Comparing this forecast to the forecast of a year ago, May 2017, before the special board meeting of June 8, where reductions in expenditures were discussed, the variances is around 4% and comparing it to the May 2016 Forecast the ending cash balance variance is about 3%. The administration has been working to reduce expenditures but even with the reductions our cash balance will be within 3-4% of the projections of May forecasts from the past two years. Of the \$17,419,636 in total expenditures, only about \$1.5 million or about 8.5% can be controlled though cutting budgets and reducing expenditures. That being the case the expenditures that are budgeted are done so though a collaboration with the principals, areas directors, supervisors and staff. Budgets are determined based on the needs in certain areas and are scrutinized and negotiated to as low as the person in charge of the area is comfortable going. The projections are not overly conservative and are an accurate representation of the districts financial position.

Clear Fork Valley LSD

Fiscal Year:	Actual	FORECASTED				
	2017	2018	2019	2020	2021	2022
Revenue:						
1.010 - General Property Tax (Real Estate)	3,453,371	3,503,830	3,439,780	3,457,157	3,474,524	3,488,158
1.020 - Public Utility Personal Property	765,322	868,459	949,737	1,006,287	1,062,837	1,119,387
1.030 - Income Tax	2,105,285	2,132,038	2,195,975	2,261,854	2,329,710	2,399,601
1.035 - Unrestricted Grants-in-Aid	8,246,278	8,333,636	8,326,762	7,920,414	7,938,218	8,138,421
1.040 - Restricted Grants-in-Aid	182,997	169,916	171,564	170,003	170,181	169,111
1.045 - Restricted Federal Grants - SFSF	-	7,828	-	-	-	-
1.050 - Property Tax Allocation	556,429	558,088	553,746	556,441	558,926	560,824
1.060 - All Other Operating Revenues	1,699,314	1,795,811	1,728,378	1,718,072	1,725,058	1,734,049
1.070 - Total Revenue	17,008,996	17,369,604	17,365,943	17,090,228	17,259,455	17,609,551
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	3,350	-	-	-	-	-
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	89,557	75,000	75,000	75,000	75,000	75,000
2.070 - Total Other Financing Sources	92,907	75,000	75,000	75,000	75,000	75,000
2.080 - Total Rev & Other Sources	17,101,903	17,444,604	17,440,943	17,165,228	17,334,455	17,684,551
Expenditures:						
3.010 - Personnel Services	8,402,766	8,744,656	8,941,771	9,114,392	9,393,022	9,698,205
3.020 - Employee Benefits	4,093,587	4,126,296	4,626,755	4,929,631	5,274,615	5,650,453
3.030 - Purchased Services	2,337,063	2,467,048	2,537,977	2,579,848	2,593,886	2,608,312
3.040 - Supplies and Materials	734,050	920,557	953,585	948,112	918,382	864,367
3.050 - Capital Outlay	274,337	246,124	251,713	247,878	274,234	240,772
3.060 - Intergovernmental	-	-	-	-	-	-
Debt Service:						
4.010 - Principal-All Years	-	-	-	-	-	-
4.020 - Principal - Notes	-	-	-	-	-	-
4.030 - Principal - State Loans	-	-	-	-	-	-
4.040 - Principal - State Advances	-	-	-	-	-	-
4.050 - Principal - HB264 Loan	-	-	-	-	-	-
4.055 - Principal - Other	-	-	-	-	-	-
4.060 - Interest and Fiscal Charges	-	-	-	-	-	-
4.300 - Other Objects	208,543	214,281	219,479	219,682	219,889	220,099
4.500 - Total Expenditures	16,050,346	16,718,961	17,531,280	18,039,543	18,674,028	19,282,209
Other Financing Uses						
5.010 - Operating Transfers-Out	5,380,830	998,942	1,166,375	1,168,175	1,168,775	1,171,325
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	(298,267)	-	-	-	-
5.040 - Total Other Financing Uses	5,380,830	700,675	1,166,375	1,168,175	1,168,775	1,171,325
5.050 - Total Exp and Other Financing Uses	21,431,176	17,419,636	18,697,655	19,207,718	19,842,803	20,453,534
6.010 - Excess of Rev Over/(Under) Exp	(4,329,273)	24,968	(1,256,712)	(2,042,490)	(2,508,348)	(2,768,983)
7.010 - Cash Balance July 1 (No Levies)	8,880,504	4,551,231	4,576,199	3,319,487	1,276,997	(1,231,351)
7.020 - Cash Balance June 30 (No Levies)	4,551,231	4,576,199	3,319,487	1,276,997	(1,231,351)	(4,000,334)
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	4,551,231	4,576,199	3,319,487	1,276,997	(1,231,351)	(4,000,334)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Income & Property Tax-Renewal	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	4,551,231	4,576,199	3,319,487	1,276,997	(1,231,351)	(4,000,334)
Revenue from New Levies						
13.010 & 13.020 - Income & Property Tax-New	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	4,551,231	4,576,199	3,319,487	1,276,997	(1,231,351)	(4,000,334)

Enrollment

FORECASTED



ACTUAL

2017-2018	PS	KG	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total
Bellville Elementary															
# of Students	48	74	61	61	73	80	63								460
# of Classroom Teachers	2	4	3	3	4	4	3								21
Average Class Size	24.0	18.5	20.3	20.3	18.3	20.0	21.0								21.9
Butler Elementary															
# of Students		50	47	40	61	48	65								311
# of Classroom Teachers		3	3	3	3	2	3								17
Average Class Size		16.7	15.7	13.3	20.3	24.0	21.7								18.3
Middle School															
# of Students								133	132	138					403
# of Classroom Teachers								6	6	7					19
Average Class Size								22.2	22.0	19.7					21.2
High School															
# of Students											151	122	159	126	558
# of Classroom Teachers											5.54	6	6	6	23.54
Average Class Size											27.3	20.3	26.5	21.0	23.7
District															
# of Students	48	124	108	101	134	128	128	133	132	138	151	122	159	126	1732
# of Classroom Teachers	2	7	6	6	7	6	6	6	6	7	5.54	6	6	6	80.54
Average Class Size	24.0	17.7	18.0	16.8	19.1	21.3	21.3	22.2	22.0	19.7	27.3	20.3	26.5	21.0	21.5

Note: Number of Classroom Teachers excludes elementary art, phys ed, music, technology, MS exploratories, HS Music, and ALL special Ed & Title I staff. The total of these exclusions is 7.3 FTE for Bellville, 8.1 FTE for Butler, 8.6 FTE for MS, and 9.2 FTE for HS.

This is an overall update on the district's enrollment in total and the enrollment per grade level. The above student count and student/teacher ratios are current as of April 23, 2018 and the bottom chart includes preschool. Since Regular Education Preschool is not funded by the state it is not included in the revenue section of the forecast determined by enrollment. Redacting Preschool, Enrollment was forecasted within four students from the actual April Enrollment. As stated before, as enrollment declines cost per pupil increases across all areas. Projected declines in enrollment are based on the mobility of the students, census data when available and live birth rates when census data is not available.