

**South Euclid-Lyndhurst City Schools**  
**Cuyahoga County**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE HISTORICAL FISCAL YEARS ENDED JUNE 30, 2011, 2012 & 2013**  
**ACTUAL FORECASTED FISCAL YEARS ENDING JUNE 30, 2014 THROUGH 2018**

| Line Number  | Fiscal Year 2011 ACTUAL | Fiscal Year 2012 ACTUAL | Fiscal Year 2013 ACTUAL | Ave. Annual CHANGE | Fiscal Year 2014 FORECAST | Fiscal Year 2015 FORECAST | Fiscal Year 2016 FORECAST | Fiscal Year 2017 FORECAST | Fiscal Year 2018 FORECAST |
|--|-------------------------|-------------------------|-------------------------|--------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>Revenue:</b>  |                         |                         |                         |                    |                           |                           |                           |                           |                           |
| 1.010 General Property (Real Estate)   | \$39,233,317            | \$39,501,114            | \$43,566,762            | 5.49%              | \$40,984,000              | \$40,984,000              | \$40,984,000              | \$40,984,000              | \$40,984,000              |
| 1.020 Tangible Personal Property Tax   | 41,902                  | 2,099                   | 1,956                   | -50.90%            | -                         | -                         | -                         | -                         | -                         |
| 1.030 Income Tax   | 0                       | 0                       | 0                       | 0.00%              | -                         | -                         | -                         | -                         | -                         |
| 1.035 Unrestricted Grants-In-Aid (All 3100's except 3130)                    | 6,542,536               | 6,635,289               | 6,803,125               | 1.97%              | 6,862,000                 | 6,862,000                 | 6,862,000                 | 6,862,000                 | 6,862,000                 |
| 1.040 Restricted Grants-In-Aid (All 3200's)                                  | 67,298                  | 76,917                  | 85,995                  | 13.05%             | 65,000                    | 65,000                    | 65,000                    | 65,000                    | 65,000                    |
| 1.045 Restricted Federal Grants-In-Aid - SFSF (4220)                         | 555,436                 | 352,120                 | 5,845                   | -67.47%            | -                         | -                         | -                         | -                         | -                         |
| 1.050 Property Tax Allocation (3130)   | 8,009,560               | 6,848,641               | 5,945,158               | -13.84%            | 5,866,000                 | 5,866,000                 | 5,866,000                 | 5,866,000                 | 5,866,000                 |
| 1.060 All Other Rev except 1931,1933,1940,1950,5100 & 5200                   | 3,452,747               | 3,085,670               | 3,289,396               | -2.01%             | 2,490,000                 | 2,485,000                 | 2,480,000                 | 2,480,000                 | 2,480,000                 |
| 1.070 Total Revenue  | <u>57,902,796</u>       | <u>56,501,850</u>       | <u>59,698,237</u>       | 1.62%              | <u>56,267,000</u>         | <u>56,262,000</u>         | <u>56,257,000</u>         | <u>56,257,000</u>         | <u>56,257,000</u>         |
| <b>Other Financing Sources</b>   |                         |                         |                         |                    |                           |                           |                           |                           |                           |
| 2.010 Proceeds From Sale of Notes (1940)                                     | 0                       | 0                       | 0                       | 0.00%              | 0                         | 0                         | 0                         | 0                         | 0                         |
| 2.020 State Emergency Loans & Advancements (Approved - 1950)                 | 0                       | 0                       | 0                       | 0.00%              | 0                         | 0                         | 0                         | 0                         | 0                         |
| 2.040 Operational Transfers-In (5100's)                                      | 50,000                  | 40,000                  | 75,000                  | 33.75%             | 0                         | 0                         | 0                         | 0                         | 0                         |
| 2.050 Advances-in (5200's)   | 210,600                 | 192,000                 | 99,350                  | -28.54%            | 78,000                    | 125,000                   | 125,000                   | 125,000                   | 125,000                   |
| 2.060 All Other Financing Sources ( 1931 & 1933)                             | 31,863                  | 76,284                  | 221,697                 | 165.02%            | 200,000                   | 50,000                    | 50,000                    | 50,000                    | 50,000                    |
| 2.070 Total Other Financing Sources  | <u>292,463</u>          | <u>308,284</u>          | <u>396,047</u>          | 16.94%             | <u>278,000</u>            | <u>175,000</u>            | <u>175,000</u>            | <u>175,000</u>            | <u>175,000</u>            |
| 2.080 Total Revenues and Other Financing Sources                             | <u>58,195,259</u>       | <u>56,810,134</u>       | <u>60,094,284</u>       | 1.70%              | <u>56,545,000</u>         | <u>56,437,000</u>         | <u>56,432,000</u>         | <u>56,432,000</u>         | <u>56,432,000</u>         |
| <b>Expenditures:</b>   |                         |                         |                         |                    |                           |                           |                           |                           |                           |
| 3.010 Personal Services  | 34,363,915              | 33,564,455              | 31,246,289              | -4.62%             | 32,500,000                | 33,313,000                | 34,145,000                | 34,998,625                | 35,873,591                |
| 3.020 Employees' Retirement/Insurance Benefits                               | 12,449,768              | 12,951,346              | 12,329,075              | -0.39%             | 13,715,000                | 14,949,000                | 16,294,410                | 17,760,907                | 19,359,389                |
| 3.030 Purchased Services   | 7,981,642               | 7,806,102               | 7,675,624               | -1.94%             | 8,079,740                 | 8,000,000                 | 8,000,000                 | 8,000,000                 | 8,000,000                 |
| 3.040 Supplies and Materials   | 2,315,159               | 1,525,941               | 1,276,763               | -25.21%            | 1,630,985                 | 1,500,000                 | 1,500,000                 | 1,500,000                 | 1,500,000                 |
| 3.050 Capital Outlay   | 326,527                 | 26,035                  | 335,469                 | 548.25%            | 88,000                    | 100,000                   | 100,000                   | 100,000                   | 100,000                   |
| 3.060 Intergovernmental (7600 and 7700 Functions)                            | 0                       | 0                       | 0                       | 0.00%              | 0                         | 0                         | 0                         | 0                         | 0                         |
| Debt Service:  |                         |                         |                         |                    |                           |                           |                           |                           |                           |
| 4.010 All Principal - (Historical Only)                                      | 0                       | 0                       | 0                       | 0.00%              | 0                         | 0                         | 0                         | 0                         | 0                         |
| 4.020 Principal-Notes  | 0                       | 0                       | 0                       | 0.00%              | 0                         | 0                         | 0                         | 0                         | 0                         |
| 4.030 Principal-State Loans  | 0                       | 0                       | 0                       | 0.00%              | 0                         | 0                         | 0                         | 0                         | 0                         |
| 4.040 Principal-State Advancements   | 0                       | 0                       | 0                       | 0.00%              | 0                         | 0                         | 0                         | 0                         | 0                         |
| 4.050 Principal-HB 264 Loans   | 0                       | 0                       | 0                       | 0.00%              | 0                         | 0                         | 0                         | 0                         | 0                         |
| 4.055 Principal other  | 0                       | 0                       | 0                       | 0.00%              | 0                         | 0                         | 0                         | 0                         | 0                         |
| 4.060 Interest and Fiscal Charges  | 0                       | 0                       | 0                       | 0.00%              | 0                         | 0                         | 0                         | 0                         | 0                         |
| 4.300 Other Objects  | 1,033,304               | 1,044,842               | 1,353,677               | 15.34%             | 1,106,275                 | 1,110,000                 | 1,115,000                 | 1,120,000                 | 1,125,000                 |
| 4.500 Total Expenditures   | <u>58,470,315</u>       | <u>56,918,721</u>       | <u>54,216,897</u>       | -3.70%             | <u>57,120,000</u>         | <u>58,972,000</u>         | <u>61,154,410</u>         | <u>63,479,532</u>         | <u>65,957,979</u>         |
| <b>Other Financing Uses</b>  |                         |                         |                         |                    |                           |                           |                           |                           |                           |
| 5.010 Operational Transfers-Out  | 783,835                 | 579,159                 | 534,000                 | -16.95%            | 275,000                   | 275,000                   | 275,000                   | 275,000                   | 275,000                   |
| 5.020 Advances-Out   | 192,000                 | 99,350                  | 78,000                  | -34.87%            | 125,000                   | 125,000                   | 125,000                   | 125,000                   | 125,000                   |
| 5.030 All Other Financing Uses   | 0                       | 0                       | 0                       | 0.00%              | 0                         | 0                         | 0                         | 0                         | 0                         |
| 5.040 Total Other Financing Uses   | <u>975,835</u>          | <u>678,509</u>          | <u>612,000</u>          | -20.14%            | <u>400,000</u>            | <u>400,000</u>            | <u>400,000</u>            | <u>400,000</u>            | <u>400,000</u>            |
| 5.050 Total Expenditures and Other Financing Uses                            | <u>59,446,150</u>       | <u>57,597,230</u>       | <u>54,828,897</u>       | -3.96%             | <u>57,520,000</u>         | <u>59,372,000</u>         | <u>61,554,410</u>         | <u>63,879,532</u>         | <u>66,357,979</u>         |
| Excess Of Revenues and Other Financing Sources over(under) Expenditures and  |                         |                         |                         |                    |                           |                           |                           |                           |                           |
| 6.010 Other Financing Uses   | (1,250,891)             | (787,096)               | 5,265,387               | -403.02%           | (975,000)                 | (2,935,000)               | (5,122,410)               | (7,447,532)               | (9,925,979)               |
| Cash Balance July 1 - Excluding Proposal Renewal/ Replacement and New Levies |                         |                         |                         |                    |                           |                           |                           |                           |                           |
| 7.010  | 9,529,488               | 8,278,597               | 7,491,501               | -11.32%            | 12,756,888                | 11,781,888                | 8,846,888                 | 3,724,478                 | (3,723,054)               |
| 7.020 Cash Balance June 30   | 8,278,597               | 7,491,501               | 12,756,888              | 30.39%             | 11,781,888                | 8,846,888                 | 3,724,478                 | (3,723,054)               | (13,649,033)              |
| 8.010 Estimated Encumbrances June 30   | 487,735                 | 614,384                 | 635,987                 | 14.74%             | 600,000                   | 500,000                   | 490,000                   | 480,200                   | 470,596                   |

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|---|--|-------------------------|-------------------------|--------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|--------------|
| <b>Reservation of Fund Balance:</b>   |  |                         |                         |                    |                           |                           |                           |                           |                           |              |
| 9.010   | Textbook and Instructional Materials               | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 9.020   | Capital Improvements                               | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 9.030   | Budget Reserve                                     | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 9.040   | DPIA   | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 9.045   | SFSF   | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 9.050   | Debt Service                                       | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 9.060   | Property Tax Advances                              | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 9.070   | Bus Purchases                                      | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 9.080   | Subtotal   | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| Fund Balance June 30 For Certification  |  |                         |                         |                    |                           |                           |                           |                           |                           |              |
| 10.010  | of Appropriations                                  | 7,790,862               | 6,877,117               | 12,120,901         | 32.26%                    | 11,181,888                | 8,346,888                 | 3,234,478                 | (4,203,254)               | (14,119,629) |
| <b>Revenue from Replacement / Renewal Levies:</b>   |  |                         |                         |                    |                           |                           |                           |                           |                           |              |
| 11.010  | Income Tax - Renewal                               | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 11.020  | Property Tax - Renewal or Replacement              | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 11.030  | Cumulative Balance of Renewal / Replacement Levies | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| Fund Balance June 30 For Certificates of Contracts, Salary Schedules, and Other Obligations |  |                         |                         |                    |                           |                           |                           |                           |                           |              |
| 12.010  |  | 7,790,862               | 6,877,117               | 12,120,901         | 32.26%                    | 11,181,888                | 8,346,888                 | 3,234,478                 | (4,203,254)               | (14,119,629) |
| <b>Revenue from New Levies:</b>   |  |                         |                         |                    |                           |                           |                           |                           |                           |              |
| 13.010  | Income Tax - New                                   | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 13.020  | Property Tax - New                                 | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 3,000,000                 | 6,000,000                 | 6,000,000    |
| 13.030  | Cumulative Balance of New Levies                   | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 3,000,000                 | 9,000,000                 | 15,000,000   |
| 14.010  | Revenue from Future State Advancements             | 0                       | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 15.010  | Unreserved Fund Balance June 30                    | \$7,790,862             | \$6,877,117             | \$12,120,901       | 32.26%                    | \$11,181,888              | \$8,346,888               | \$6,234,478               | \$4,796,746               | \$880,371    |
| 20.010  | Kindergarten - October Count                       | 290                     | 277                     |                    |                           | 220                       | 220                       | 220                       | 220                       | 220          |
| 20.015  | Grades 1-12 - October Count                        | 3949                    | 3720                    |                    |                           | 3500                      | 3500                      | 3500                      | 3500                      | 3500         |
| 21.010  | Personal Services SFSF                             | 0                       | 305,684                 | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 21.020  | Employees Retirement/Insurance Benefits SFSF       | 0                       | 42,796                  | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 21.030  | Purchased Services SFSF                            | 153,857                 | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 21.040  | Supplies and Materials SFSF                        | 657,972                 | 13,178                  | 5,845              | -76.82%                   | 0                         | 0                         | 0                         | 0                         | 0            |
| 21.050  | Capital Outlay SFSF                                | 58,435                  | 0                       | 0                  | 0.00%                     | 0                         | 0                         | 0                         | 0                         | 0            |
| 21.060  | Total Expenditures - SFSF                          | \$870,264               | \$361,658               | \$5,845            |                           | \$0                       | \$0                       | \$0                       | \$0                       | \$0          |

See accompanying summary of significant forecast Assumptions and accounting policies.

Includes: General Fund, Emergency Levy Fund, SDFSF, PBA fund, and any portion of debt service fund related to general fund debt.

## ASSUMPTIONS FOR THE 5-YEAR FORECAST

### REVENUES

#### 1.010 & **Property Tax (Real & Personal Property)**

1.020

This particular revenue category is the largest for the South Euclid-Lyndhurst City School District. Historically, the yearly increase (excluding a levy passage) has been minimal. For long-range planning purposes, we are not utilizing a yearly increase for this revenue category.

One may notice a significant decrease from 2013 to 2014 even though 2014 includes a full year of tax collection from the November 2012 levy. The decrease is a result of the delinquent payment of approximately \$3 million from the Cleveland Clinic that was received in FY 2013. I have also reflected an additional decrease of \$1 million due to lower property values and more delinquencies.

For long-range purposes, I have not reflected a change from 2014-2018.

#### 1.035 **Unrestricted Grants-In-Aid (All 3100's except 3130)**

The State funding for schools is based on several factors all of which are subject to deliberations and approval of the Ohio General Assembly.

With regard to State Foundation Funding, the district expects little to no change in our funding level in FY 14-18.

In FY 13, the district received approximately \$81,000 from the Casino Tax and anticipates receiving approximately \$162,000 each year.

#### 1.040 **Restricted Grants-In-Aid (all 3200's)**

This particular category accounts for State reimbursements in the area of a bus purchase allowance, the Special Education Category 3 and State money for Career/Tech and Adult Education. The district expects little to no change in FY 14-18.

#### 1.050 **Property Tax Allocation (3130)**

This particular revenue category is for the Homestead and Rollback reimbursement and the Tangible Personal Property (TPP) tax loss reimbursement from the State. However, the TPP reimbursement has been eliminated completed for SEL Schools (a loss of more than \$2.2 million per year). The district expects to close to \$5.9 million each year in homestead and rollback reimbursements from the State.

#### 1.060 **All Other Revenue (Except Other Financing Sources)**

This particular revenue category encompasses other local revenues and interest earnings. The District is not recognizing any significant yearly increase or decrease to this source during FY 14-18.

#### 2.01 - **Other Financing Sources**

2.08

This section is for the return of advances from other funds from the previous fiscal year (cash flow purposes).

## **EXPENDITURES**

### **3.01 Personal Services**

The amounts for salaries are based on existing negotiated agreements and the staffing needs for any given year. A significant reduction to staffing levels was made for FY 13 (a reduction of more than 40 employees).

For FY 14-18, a 2.5% increase each year has been utilized.

### **3.02 Benefits**

For FY 13, the benefit amount is reflective of the reduction to staff and includes a 9% increase to account for the expected increase to Health Insurance plans of about 13% each year.

For FY 14-18, a 9% increase each year has been utilized.

### **3.03 Purchased Services**

This particular expenditure category varies from year to year depending on the needs of the district.

FY 14-18 reflects basically the level of expenditures as FY 11.

### **3.04 Supplies & Materials**

This particular expenditure category varies from year to year depending on the needs of the district. For the purpose of the 5-year forecast, the district is reflecting an decrease in FY 15-18 of about \$130,000 from FY 14.

### **3.05 Capital Outlay**

In this district capital purchases are made when there is a critical need or when funds are available. In FY 13, 3 buses were purchased for approx. \$250,000. For FY 14-18, the district is not expecting to make any large equipment purchases from the General Fund.

### **4.3 Other Objects**

Other objects are used to account for such things as County Auditor fees, memberships, judgements, etc. In FY 2013, the district was required to pay a 10% collection fee on the amount received from the Cleveland Clinic. This fee was approximately \$300,000 and is not reflected in any of the forecast years.

### **Other Financing Uses**

This, like other financing sources, is unique to each school district. The amounts reflected in the Forecasted years are based on plans and expectations established by the Board of Education. FY 14-18 reflect only those necessary transfer and advances and does not include any transfers for reserve accounts.

**Encumbrances**

Encumbrances are reflected as an estimate only.

**Set Asides**

For the purposes of the set-asides, the South Euclid-Lyndhurst City School District has taken the necessary steps to ensure that it is compliance with HB 412 and that minimum set-asides have been established.

**Additional Notation:**

None at this time.