

HIGHLAND LOCAL SCHOOLS

FIVE-YEAR FORECAST

FISCAL YEARS 2018 – 2022

OCTOBER 2017



HIGHLAND LOCAL SCHOOL DISTRICT -- MEDINA COUNTY
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
ACTUAL AND FORECASTED OPERATING FUND

	Actual			Forecasted				
	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Revenue:								
1.010 General Property Tax (Real Estate)	19,694,637	20,452,186	21,048,680	21,253,000	19,372,005	17,980,166	18,195,230	18,412,700
1.020 Tangible Personal Property Tax	920,990	952,413	1,005,523	1,029,600	994,268	961,802	986,973	1,012,788
1.030 Income Tax	0	0	0	0	0	0	0	0
1.035 Unrestricted Grants-in-Aid	5,090,086	5,131,489	5,290,920	5,277,600	5,230,434	5,230,434	5,230,434	5,230,434
1.040 Restricted State Grants-in-Aid	190,237	93,177	80,478	79,500	79,500	79,500	79,500	79,500
1.045 Restricted Federal Grants-in-Aid	0	0	0	0	0	0	0	0
1.050 Property Tax Allocation	3,236,374	3,221,359	3,103,659	3,077,900	2,801,378	2,600,591	2,631,705	2,663,167
1.060 All Other Revenues	1,486,902	1,145,292	1,210,147	1,365,800	1,304,458	1,317,503	1,330,678	1,343,984
1.070 Total Revenues	30,619,226	30,995,916	31,739,407	32,083,400	29,782,043	28,169,996	28,454,520	28,742,573
Other Financing Sources:								
2.010 Proceeds from Sale of Notes	0	0	0	0	0	0	0	0
2.020 State Emergency Loans and Advancements	0	0	0	0	0	0	0	0
2.040 Operating Transfers-In.	0	0	0	0	0	0	0	0
2.050 Advances-In	500	380,800	171,000	419,000	419,000	275,000	275,000	50,000
2.060 All Other Financing Sources	617,025	27,926	54,962	67,000	20,000	20,000	20,000	20,000
2.070 Total Other Financing Sources	617,525	408,726	225,962	486,000	439,000	295,000	295,000	70,000
2.080 Total Revenues and Other Financing Sources	31,236,751	31,404,642	31,965,369	32,569,400	30,221,043	28,464,996	28,749,520	28,812,573
Expenditures:								
3.010 Personal Services	16,903,238	17,044,185	17,775,923	18,711,450	19,446,810	20,207,181	20,989,199	21,801,481
3.020 Employees' Retirement/Insurance Benefits	5,550,412	5,714,972	5,718,357	6,433,540	7,201,882	7,713,513	8,266,730	8,866,826
3.030 Purchased Services	4,086,331	3,935,056	4,135,703	4,723,515	4,801,569	4,922,620	5,072,605	5,237,465
3.040 Supplies and Materials	835,384	973,753	935,815	914,970	901,845	924,391	987,501	972,188
3.050 Capital Outlay	208,328	236,973	177,277	262,238	178,794	183,264	187,845	192,541
3.060 Intergovernmental	0	0	0	0	0	0	0	0
Debt Service:								
4.010 Principal-All (History Only)	0	0	0	0	0	0	0	0
4.060 Interest and Fiscal Charges	0	0	0	0	0	0	0	0
4.300 Other Objects	473,616	484,959	487,834	650,075	503,327	515,910	528,808	542,028
4.500 Total Expenditures	28,057,309	28,389,898	29,230,909	31,695,788	33,034,227	34,466,879	36,032,688	37,612,529
Other Financing Uses								
5.010 Operating Transfers-Out	14,000	12,000	8,000	30,000	30,000	30,000	30,000	30,000
5.020 Advances-Out	800,800	31,000	54,179	950,000	50,000	50,000	50,000	50,000
5.030 All Other Financing Uses	29,705	380,000	200	0	0	0	0	0
5.040 Total Other Financing Uses	844,505	423,000	62,379	980,000	80,000	80,000	80,000	80,000
5.050 Total Expenditures and Other Financing Uses	28,901,814	28,812,898	29,293,288	32,675,788	33,114,227	34,546,879	36,112,688	37,692,529
6.010 Excess of Rev & Other Financing Sources over (under) Expenditures and Other Financing Uses	2,334,937	2,591,744	2,672,081	-106,388	-2,893,184	-6,081,883	-7,363,168	-8,879,956
7.010 Cash Balance July 1 - Excl Proposed Renewal/ Replacement and New Levies	12,754,469	15,089,406	17,681,150	20,353,231	20,246,843	17,353,659	11,271,776	3,908,608
7.020 Cash Balance June 30	15,089,406	17,681,150	20,353,231	20,246,843	17,353,659	11,271,776	3,908,608	-4,971,348
8.010 Estimated Encumbrances June 30	213,721	147,298	311,824	200,000	200,000	200,000	200,000	200,000
Reservation of Fund Balance								
9.010 Textbooks and Instructional Materials	0	0	0	0	0	0	0	0
9.020 Capital Improvements	0	0	0	0	0	0	0	0
9.030 State Fiscal Stabilization Funds	0	0	0	0	0	0	0	0
9.040 DPIA	0	0	0	0	0	0	0	0
9.050 Debt Service	0	0	0	0	0	0	0	0
9.060 Property Tax Advances	0	0	0	0	0	0	0	0
9.070 Bus Purchases	0	0	0	0	0	0	0	0
9.080 Subtotal	0	0	0	0	0	0	0	0
10.010 Fund Balance June 30 for Certification of Appropriations	14,875,685	17,533,852	20,041,407	20,046,843	17,153,659	11,071,776	3,708,608	-5,171,348
Rev from Replacement/Renewal Levies								
11.010 Income Tax - Renewal	0	0	0	0	0	0	0	0
11.020 Property Tax - Renewal or Replacement	0	0	0	0	2,303,501	4,291,020	4,357,226	4,424,482
11.030 Cumulative Balance of Replacement/Renewal Levies	0	0	0	0	2,303,501	6,594,521	10,951,747	15,376,229
12.011 Fund Balance June 30 for Certification of Contracts, Salary and Other Obligations	14,875,685	17,533,852	20,041,407	20,046,843	19,457,160	17,666,297	14,660,355	10,204,881
Revenue from New Levies								
13.010 Income Tax - New	0	0	0	0	0	0	0	0
13.020 Property Tax - New	0	0	0	0	0	0	0	0
13.030 Cumulative Balance of New Levies	0	0	0	0	0	0	0	0
14.010 Revenue from Future State Advancements	0	0	0	0	0	0	0	0
15.010 Unreserved Fund Balance June 30	14,875,685	17,533,852	20,041,407	20,046,843	19,457,160	17,666,297	14,660,355	10,204,881

HIGHLAND LOCAL SCHOOL DISTRICT FIVE-YEAR FORECAST ASSUMPTIONS OCTOBER 2017

The school funding system in the State of Ohio is constantly changing. Accordingly, the Highland Local School District's Five-Year Forecast is based upon factors known as of this date. Additionally, District management must make assumptions about the future based upon the current environment in which the School District operates. Assumptions about the future have been formulated in a conservative manner. The Treasurer will monitor the Five-Year Forecast and will update it as appropriate for changes that may occur. Consistent with Ohio Administrative Code 3301-92-04, the Forecast will be approved by the Highland Local School District Board of Education at least twice per fiscal year in October and May and submitted to the Ohio Department of Education. The following is a discussion of the pertinent assumptions used in the development of the attached Five-Year Forecast of the Highland Local School District.

REVENUE ASSUMPTIONS

Line 1.010 – General Property Tax (Real Estate)

Base Year – Fiscal Year 2018

Projected Fiscal Year 2018 real estate tax collections are based upon a combination of Medina County Auditor estimates and actual fiscal year to date operating results through October 2017. County Auditor estimates conservatively assume an overall real estate tax collection rate of 98%. As of the date of this Forecast, the District had received its final tax settlements from the County for the second half of Collection Year 2017 (Tax Year 2016), which is the first half of Fiscal Year 2018 for the District. In recent years preceding Fiscal Year 2018, the District received approximately 46% of its total annual real estate tax revenues during the first half of the fiscal year (i.e. July – December). An estimate has been developed for Fiscal Year 2018 that reflects this historical trend, but also takes into consideration the County's allowance for delinquencies as well as millage rate adjustments that are expected to be implemented with respect to the District's emergency tax levy due to assessed valuation increases.

Future estimates are based upon the most recent data provided by the Medina County Auditor, including information on expected rates of collection, new construction, and reappraisals/updates.

New Construction

The District continues to experience new construction growth. For Tax Year 2016, the District experienced new construction growth of nearly 1.90%. For Tax Year 2017 and beyond, the Forecast includes estimated new construction growth at a rate of 1.50% annually.

**HIGHLAND LOCAL SCHOOL DISTRICT
FIVE-YEAR FORECAST ASSUMPTIONS
OCTOBER 2017**

County Auditor Reappraisals and Triennial Updates

Tax Year 2016 (Collection Year 2017) represented a property valuation triennial update year for Medina County. Based upon information provided by the County Auditor, residential property values rose about 8%, on average, across Medina County. Additionally, commercial real estate values increased an estimated 5%. Increases and decreases in assessed valuation affect the amount of tax revenue generated on inside millage. The District experiences inside millage revenue growth as a result of inflationary valuation adjustments. The impact of the triennial update was first reflected in the 1st half 2017 property tax collections. The District estimates an annual property tax revenue increase of approximately \$260,000 resulting from this triennial update.

Levy Renewal

Collection/Calendar Year 2018 will be the final collection year for the 5.50 / 1.20 / 1.20-mill incremental levy currently on the property tax rolls for Highland. Originally passed by voters in 1998 and renewed in 2007, this levy currently has a combined effective millage of roughly 5.08. This Forecast assumes that the District will renew the levy. The total revenue retained as a result of renewing this levy, which includes real estate tax, tangible personal property tax, and Homestead & Rollback reimbursements, is disclosed on **Line 11.020**.

Medina County Schools' Sales Tax

In May 2007, a 0.50% county schools' sales tax was approved by Medina County voters. Medina County schools share in the proceeds of this tax based upon student enrollment. The proceeds of this tax are not available for operating expenditures of the District. The dollars derived from this tax are restricted to capital projects/permanent improvements and are accounted for in a separate capital projects fund. Revenues and expenditures from this tax are **not** included in this Forecast.

Line 1.020 – Tangible Personal Property Tax

Public Utility Tangible Personal Property

Tangible personal property tax collections are derived from **public utility** tangible personal property. Collections on this tax base have steadily increased in recent years. Collections on this tax base experienced an increase from \$841,574 in Fiscal Year 2014 to \$920,990 in Fiscal Year 2015. Fiscal Year 2016 collections increased to \$952,413. For Tax Year 2016, this tax base increased by 8.15%, which helped fuel revenues totaling \$1,005,523 for Fiscal Year 2017. For Tax Year 2017 and beyond, the Forecast includes estimated growth at a rate of 3% annually for public utility tangible personal property. Fiscal Years 2019 through 2022 also incorporate the anticipated impact of the expiration of the incremental levy mentioned above. The total revenue

**HIGHLAND LOCAL SCHOOL DISTRICT
FIVE-YEAR FORECAST ASSUMPTIONS
OCTOBER 2017**

retained as a result of renewing this levy, which includes real estate tax, tangible personal property tax, and Homestead & Rollback reimbursements, is disclosed on **Line 11.020**.

House Bill 66

House Bill 66 incrementally phased out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads beginning in 2006. October 2010 represented the final collection of tangible personal property taxes on general businesses, telephone and telecommunications companies, and railroads due to the phase out. The State of Ohio partially reimbursed the District for the resulting loss in tax collections through Fiscal Year 2016. Further discussion of this reimbursement is included below in Line 1.050 - Property Tax Allocation.

Line 1.035 – Unrestricted State Grants in Aid

House Bill 59

The 2014-2015 State Biennial Budget (i.e. House Bill 59 or HB 59) was signed into law by Governor Kasich on June 30, 2013. Ohio school districts were expected to receive an aggregate increase in State funding of roughly \$831 million over the two-year period. While this was certainly a step in the right direction, this increase did not fully offset the \$1.44 billion in school funding cuts that resulted from the previous biennial budget (i.e. House Bill 153 or HB 153). As a point of reference, Highland lost more than \$1,400,000 in annual operating funds as a result of the 2012-2013 State Biennial Budget (HB 153). In Fiscal Year 2014, Highland received about ~\$253,000 more in base student funding from the State as compared to Fiscal Year 2013. For Fiscal Year 2015, Highland received an additional ~\$451,000 in base student funding over Fiscal Year 2014 funding levels.

House Bill 64

The 2016-2017 State Biennial Budget (i.e. House Bill 64) was signed into law by Governor Kasich on June 30, 2015. As a result of the passage of HB 64, no school district in the State of Ohio received less in basic State aid in Fiscal Year 2016 than it did in Fiscal Year 2015. For Fiscal Year 2016, in addition to being held harmless on basic State aid, the District received slight increases in supplemental aid items such as preschool special education and special education transportation. For Fiscal Year 2017, the District received an additional 3% in basic State aid.

HIGHLAND LOCAL SCHOOL DISTRICT FIVE-YEAR FORECAST ASSUMPTIONS OCTOBER 2017

House Bill 49

The 2018-2019 State Biennial Budget (i.e. House Bill 49) was signed into law by Governor Kasich on June 30, 2017. The funding formula implemented in this budget nets Highland roughly the same amount of Foundation revenue the District received in Fiscal Year 2017 for both Fiscal Years 2018 and 2019. The budget does reduce the transportation reimbursement percentage from 50% down to 37.5% for Fiscal year 2018 and further reduces that percentage to 25% for Fiscal Year 2019. As a result of this change, the District will receive transitional aid from the State in order to maintain funding levels. Districts that receive transitional aid are considered to be on the “Guarantee”. Current figures provided by the State calculate transitional aid to be over \$700,000 for Highland for Fiscal Year 2018. This amount will likely increase for Fiscal Year 2019 as the transportation reimbursement goes down. The concern for Highland is that guarantees (transitional aid) are a formula override that could always be subject to phase out. This Forecast does not project that the District’s basic State aid will increase or decrease significantly beyond Fiscal Year 2018.

Casino Tax Revenues

In 2009, Ohio voters approved the construction of four full-service casinos. State law dictates that a tax will be levied on these casinos at a rate of 33% of gross casino revenue, which equates to total betting less payouts. Of this new tax, 34% is to be distributed to public school districts in two annual installments (January and August). This revenue source is intended to supplement not supplant current State funding. In January 2013, the District received its first installment of this revenue source. Fiscal Year 2014 revenues from this new funding source totaled \$166,424. Revenues from this funding source decreased to \$161,906 for Fiscal Year 2015 and once again decreased in Fiscal Year 2016 and Fiscal Year 2017 to \$158,874 and \$157,377, respectively. This Forecast assumes the District will receive roughly \$50 per pupil or about \$160,000 annually from this funding source for Fiscal Years 2018 through 2022.

Line 1.040 – Restricted State Grants in Aid

This line item includes career tech education funding, economically disadvantaged funding, and catastrophic special education cost reimbursements from the State. HB 59, which is discussed above, resulted in an increase in catastrophic special education cost reimbursements to school districts beginning in Fiscal Year 2014. The State did not process this reimbursement to school districts for Fiscal Year 2014 until July 2014, which was the first month of Fiscal Year 2015. As a result, the District received two payments in Fiscal Year 2015; hence the significant decrease reflected in the Forecast from Fiscal Year 2015 to Fiscal Year 2016. For Fiscal Years 2018 and beyond, catastrophic special education reimbursements are estimated to be \$75,000 annually. Overall, this revenue line is relatively immaterial and is projected to remain consistent throughout the duration of the Forecast.

**HIGHLAND LOCAL SCHOOL DISTRICT
FIVE-YEAR FORECAST ASSUMPTIONS
OCTOBER 2017**

Line 1.045 – Restricted Federal Grants in Aid

The District does not anticipate receiving any new federal funding for general operations during the forecast period. In previous years, the District had received money through the Education Jobs Fund and State Fiscal Stabilization Funds, both of which were derived from federal sources. Both of these funding sources have been fully depleted.

Line 1.050 – Property Tax Allocation

10% Rollback, 2.5% Owner Occupied, and Homestead Exemption

By law, residential taxpayers receive certain reductions on their tax bill. Homeowners receive a 10% rollback on their gross tax bill with respect to continuing levies and renewals of existing levies. Additionally, if the homeowner occupies the residence being taxed, an additional 2.5% reduction is granted on continuing levies and renewals or existing levies. HB 59 instituted a change in the tax law that no longer provides for these reductions on new and replacement levies (more specifically, the portion of which represents a new tax) beginning with the November 2013 election. Qualifying homeowners (65 years or older and/or disabled and provided certain income restrictions are met) can also receive a \$25,000 exemption from their home's fair market value, which will further reduce the gross tax amount due. Currently, the State of Ohio reimburses school districts for these entitlements provided to taxpayers. For Fiscal Year 2018, these reimbursements are expected to total approximately \$3,078,000. These reimbursements are projected to continue to increase modestly as a result of new construction growth. However, for Fiscal Years 2019 through 2022, this line item reflects a notable decrease due to the anticipated impact of the expiration of the incremental levy mentioned above. The total revenue retained as a result of renewing this levy, which includes real estate tax, tangible personal property tax, and Homestead & Rollback reimbursements, is disclosed on **Line 11.020**.

Tangible Personal Property Tax Loss Reimbursement

As noted above, House Bill 66 phased out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads beginning in 2006. The State of Ohio provided partial reimbursements to the District each year through Fiscal Year 2016 for this tax loss, which exceeded \$1,200,000. The Fiscal Year 2016 reimbursement amounted to \$301,989 of which \$60,398 was not paid until Fiscal Year 2017. The Forecast assumes no future reimbursements.

Line 1.060 – All Other Revenues

All other operating revenues include but are not limited to investment income, tuition, classroom fees, pay to participate fees, facility use fees, Medicaid reimbursements, Community Reinvestment Area compensation agreement payments, and donations. Investment income is

**HIGHLAND LOCAL SCHOOL DISTRICT
FIVE-YEAR FORECAST ASSUMPTIONS
OCTOBER 2017**

projected to increase due to greater amounts being invested for longer terms at greater yields. Pay to participate fees have also helped bolster this revenue line item and offset rising operating costs associated with extracurricular activities. Other revenues within this category are expected to remain relatively consistent throughout the Forecast and experience minimal growth in the future.

The District has and will continue to explore alternative revenue sources.

Line 2.070 – Other Financing Sources

Advances-In

For Fiscal Years 2018 through 2021, advances-in are included to account for the eventual full repayment of two separate advances totaling \$1,700,000 to a capital projects fund. One advance was made to help fund the new Athletic Complex (\$800,000) and the other went towards the purchase of fifteen new school buses (\$900,000). Additionally, the repayment of advances made to federal funds that experience deficit fund balances at fiscal year-end are included in this line in the amount of \$50,000 for each fiscal year.

All Other Financing Sources

All other financing sources generally include refunds of prior year expenditures and proceeds from the sale of assets. For Fiscal Year 2015, there were significant refunds of prior year expenditures including refunds from the Medina County Auditor (~\$432,000), LEECA – the District’s former Information Technology Center (~\$55,000), Bureau of Workers Compensation (~\$60,000) and the Medina County ESC (~\$44,000). Other than the Billion Back BWC rebate, which netted the District roughly \$56,000 in Fiscal Year 2018, these items were considered one-time occurrences and this area is not expected to be a significant source of revenue for the District in the future.

Line 11.020 – Property Tax Renewal or Replacement

As noted above, Collection/Calendar Year 2018 will be the final collection year for the 5.50 / 1.20 / 1.20-mill incremental levy currently on the property tax rolls for Highland. Originally passed by voters in 1998 and renewed in 2007, this levy currently has a combined effective millage of roughly 5.08. This Forecast assumes that the District will renew the levy. The total revenue retained as a result of renewing this levy, which includes real estate tax, tangible personal property tax, and Homestead & Rollback reimbursements, is estimated to be approximately \$2,304,000, \$4,291,000, \$4,357,000, and \$4,424,000 respectively, for Fiscal Years 2019 through 2022.

**HIGHLAND LOCAL SCHOOL DISTRICT
FIVE-YEAR FORECAST ASSUMPTIONS
OCTOBER 2017**

EXPENDITURE ASSUMPTIONS

Line 3.010 – Personal Services

Negotiated agreements are in place for the Highland Education Association (HEA) through June 30, 2019 and the Highland Support Staff Association (HSSA) through June 30, 2018.

An average increase in personal service costs of roughly 4% has been calculated for Fiscal Years 2019 through 2022. This increase is intended to encompass contractual cost of living and longevity compensation adjustments, employee turnover, and other staffing adjustments necessary to accommodate the recommended educational program.

Line 3.020 – Employees’ Retirement/Insurance Benefits

This line item primarily consists of costs associated with Health Insurance, Public Retirement Systems, Medicare, and Workers’ Compensation.

Retirement, Medicare, and Workers’ Compensation are driven by salaries and wages and will fluctuate directly with changes in Line 3.010 – Personal Services.

The District is a member of the Stark County Schools Council of Governments (the “COG”) Health Insurance Plan. For Fiscal Year 2017, monthly health insurance premiums increased by 2.5% over Fiscal Year 2016. The District was also granted three premium holidays for Fiscal Year 2017 by the COG, which was one additional holiday over the prior year. For Fiscal Year 2018, the COG informed members that there would be two premium holidays granted for use in Fiscal Year 2018 and monthly health insurance premiums increased by 5.4% over Fiscal Year 2017. Currently, each holiday granted saves the District about \$315,000. The Forecast assumes that health insurance premiums will increase 10% annually beyond Fiscal Year 2018, which is reflective of guidance provided by consortium officials. Additionally, it is assumed that the COG will only grant one premium holiday per year beyond Fiscal Year 2018.

In April 2011, HEA agreed to increase employee health insurance contributions from 5% to 15% effective July 2011 and from 15% to 20% effective July 2012. Administrators also agreed to these changes. In May 2012, HSSA agreed to increase employee health insurance contributions incrementally. For Fiscal Year 2018 and beyond, it is assumed that all employees contribute 20% towards their health insurance coverage.

**HIGHLAND LOCAL SCHOOL DISTRICT
FIVE-YEAR FORECAST ASSUMPTIONS
OCTOBER 2017**

Line 3.030 – Purchased Services

Significant items within this category include services provided by the Medina County Educational Service Center, information systems services provided by the Connect, legal fees, risk management insurance, utilities, lease payments, and tuition (i.e. open enrollment, community schools, special education placements, etc.).

A blended rate of average annual increase of ~3.25% is utilized for Fiscal Years 2019 through 2022. A reduction is also made in Fiscal Year 2019 to reflect a one-time payment made in Fiscal Year 2018.

Line 3.040 – Supplies and Materials

Significant items within this category include educational supplies, College Credit Plus textbook purchases, office supplies, maintenance supplies, and fuel. Beginning with Fiscal Year 2016, additional money was added to the budget to account for costs associated with the new College Credit Plus program.

Generally, a blended rate of average annual increase of ~2.5% is utilized for Fiscal Years 2019 through 2022. Additionally, adjustments are made to take into consideration the purchase of multi-year educational software licenses.

Line 3.050 – Capital Outlay

This line item includes provision for the purchase of new and replacement equipment including classroom technology items. The aforementioned Medina County sales tax proceeds are utilized to fund the majority of capital purchases of the District. As a result, capital outlay expenditures out of general operating funds are relatively immaterial.

A rate of annual increase of ~2.5% is utilized for Fiscal Years 2019 through 2022. Fiscal Year 2018 projections include costs associated with the acquisition of a new District-wide phone system. This one-time cost is removed from Fiscal Year 2019 estimates.

**HIGHLAND LOCAL SCHOOL DISTRICT
FIVE-YEAR FORECAST ASSUMPTIONS
OCTOBER 2017**

Line 4.300 – Other Objects

Significant items within this category include County Auditor and Treasurer’s Fees for the collection of property taxes, annual financial audit fees, State Foundation deductions related to the Medina County ESC, and bank charges. Fiscal Year 2018 includes certain one-time expenditures, which are excluded from estimates for Fiscal Year 2019 and beyond.

A rate of annual increase of 2.5% is utilized for Fiscal Years 2019 through 2022.

Line 5.040 – Other Financing Uses

In Fiscal Year 2018, an advance of \$900,000 was made to a capital projects fund to finance the purchase of fifteen new school buses. Additionally, the Forecast assumes advances out of \$50,000 annually to address potential deficit fiscal year end balances caused by timing differences in cash receipts and expenditures primarily within the federal grant funds. For Fiscal Year 2018 and beyond transfers of \$30,000 are also budgeted most notably for an anticipated annual transfer to the Uniform School Supply fund to offset deficit spending within the fund caused by legislation passed in House Bill 1 in July 2009.