

Dear Readers:

This forecast presents a conservative estimate of the Olmsted Falls City School District's General Fund cash receipts, cash disbursements, and cash fund balances for the fiscal years forecasted. It is based on assumptions that were developed as of May 12, 2010. The significant assumptions included within this forecast are explained below.

Differences between this forecast and actual results are expected to occur because circumstances typically change. These differences may have a material impact on this forecast.

Readers are encouraged to read the following assumptions and develop their own conclusions about the impacts they have on this forecast.

Sincerely,

Mark S. Hullman, CPA, MBA
TREASURER

ASSUMPTIONS:

General Property and Tangible Personal Property Tax Revenues:

FY2010 and FY2011 General Property and Tangible Personal Property Tax Revenue estimates are based on expectations as of May 12, 2010. On February 2, 2010 an 8.7 operating levy was passed that is expected to generate additional annual tax revenues amounting to approximately \$4,742,114 annually in FY2012 and thereafter.

Tangible Personal Property Tax Revenues are phasing out and the Ohio Department of Education is reimbursing Olmsted Falls City School District.

Unrestricted Grants-In-Aid (Foundation):

Unrestricted Grants-In-Aid are remitted by the Ohio Department of Education. For purposes of this forecast, these revenues have been projected consistently with projected FY 2010 foundation revenues, however, in FY2010 \$664,795 of this source of revenue is anticipated to be received in the form of Restricted Federal Grants-In-Aid ~ SFSF.

Property Tax Allocation:

Property Tax Allocation revenues are remitted by the State of Ohio based on percentages of property taxes. FY2010 property tax allocation revenues are based on information available as of May 12, 2010. FY2011 and beyond Property Tax Allocation projections are estimated to be approximately 11 percent of total tax collections.

All Other Operating Revenue:

This category includes revenue from interest on investments, rent from District-owned property, and other locally generated income.

Personal Services:

FY 2010 and FY2011 personal services were projected based on bargaining agreements. Each year beyond FY 2011 has been increased approximately 1.75% to provide for step increases, etc. Additionally, this forecast includes the following projected increases of teaching positions: 2 new teaching positions in FY2011, 1 new teaching position in FY2012, and 1 new teaching position in FY2013.

Employees' Retirement/Insurance

This category primarily includes employer's portions of retirement, employer's portion of health benefits, employer's portion of medicare, unemployment benefits, and workers' compensation.

All retirement/insurance costs were projected based on actual amounts expected to be paid. FY2010 and FY2011 health benefits were projected based on expected costs. Health benefits for each year beyond FY 2011 have been increased approximately 12%. Life, dental, and vision benefits were projected by increasing costs each year in amounts of 5 percent, 10 percent and 10 percent, respectively.

Purchased Services:

FY 2010 purchased services were projected based on actual amounts expected to be paid. FY 2011 and beyond were projected by adding 5% each year, however, FY2011 was increased in the amount of \$79,296 to consider additional utilities costs resulting from the Middle School addition that will open in August 2010.

Supplies and Materials:

FY 2010 supplies and materials were projected based on actual amounts expected to be paid. FY 2011 and beyond have been increased in moderate amounts.

Capital Outlay:

FY 2010 capital outlay was projected based on actual amounts expected to be paid. FY 2011 and beyond were projected based on management's estimates of necessary capital outlay expenditures.

Other Objects:

FY2010 and FY2011 other objects were projected based on actual amounts expected to be paid. FY2012 and beyond were projected by increasing each year in the amount of five (5) percent.

Olmsted Falls City School District

Cuyahoga County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2007, 2008 and 2009 Actual;
Forecasted Fiscal Years Ending June 30, 2010 Through 2014

	Actual				Average Change	Forecasted				
	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009			Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Revenues										
1.010 General Property Tax (Real Estate)	\$17,427,145	\$17,635,146	\$18,407,261	2.8%	\$18,000,918	\$19,544,616	\$22,301,505	\$22,301,505	\$22,301,505	
1.020 Tangible Personal Property Tax	802,453	749,216	427,638	-24.8%	213,750	163,750	113,750	50,000		
1.030 Income Tax										
1.035 Unrestricted State Grants-in-Aid	11,861,136	12,146,519	12,353,655	2.1%	11,614,331	12,315,000	12,365,000	12,428,750	12,478,750	
1.040 Restricted State Grants-in-Aid	155,416	112,858	112,468	-13.9%	118,607	115,000	115,000	115,000	115,000	
1.045 Restricted Federal Grants-in-Aid - SFSF					664,795					
1.050 Property Tax Allocation	1,859,850	2,160,807	2,244,073	10.0%	2,448,051	2,373,542	2,745,698	2,745,698	2,745,698	
1.060 All Other Revenues	1,722,638	1,144,067	872,240	-28.7%	606,902	540,300	570,300	570,300	570,300	
1.070 Total Revenues	33,828,638	33,948,413	34,417,335	0.9%	33,667,354	35,052,208	38,211,253	38,211,253	38,211,253	
Other Financing Sources										
2.010 Proceeds from Sale of Notes			1,333,000		1,183,000	1,033,000	883,000	733,000	583,000	
2.020 State Emergency Loans and Advancements (Approved)										
2.040 Operating Transfers-In					415,000					
2.050 Advances-In	99,152	518,459	1,978,236	352.2%	250,000	250,000	250,000	250,000	250,000	
2.060 All Other Financing Sources	3,725	6,843		-8.1%						
2.070 Total Other Financing Sources	102,877	525,302	3,311,236	470.5%	1,848,000	1,283,000	1,133,000	983,000	833,000	
2.080 Total Revenues and Other Financing Sources	33,931,515	34,473,715	37,728,571	5.5%	35,515,354	36,335,208	39,344,253	39,194,253	39,044,253	
Expenditures										
3.010 Personal Services	20,063,396	21,052,989	22,424,984	5.7%	21,982,847	22,664,451	23,080,323	23,513,738	23,925,004	
3.020 Employees' Retirement/Insurance Benefits	7,109,035	7,291,630	8,121,187	7.0%	7,403,404	7,892,662	8,646,093	9,208,516	9,840,438	
3.030 Purchased Services	3,412,704	3,632,198	3,483,623	1.2%	3,390,661	3,589,840	3,769,332	3,957,799	4,155,689	
3.040 Supplies and Materials	1,299,466	1,467,877	1,219,008	-2.0%	1,011,130	986,725	1,276,441	1,328,763	1,381,601	
3.050 Capital Outlay	365,107	846,570	493,685	45.1%	100,000	500,000	500,000	500,000	500,000	
3.060 Intergovernmental										
Debt Service:										
4.010 Principal-All (Historical Only)										
4.020 Principal-Notes										
4.030 Principal-State Loans										
4.040 Principal-State Advancements										
4.050 Principal-HB 264 Loans	95,503	60,502	1,542,495	1206.4%	1,393,503	1,243,503	1,033,000	883,000	733,000	
4.055 Principal-Other										
4.060 Interest and Fiscal Charges	17,467	12,960	61,590	174.7%	47,210	61,001	51,650	44,150	30,000	
4.300 Other Objects	499,833	536,906	539,355	3.9%	446,876	584,351	613,569	644,247	676,459	
4.500 Total Expenditures	32,862,511	34,901,632	37,885,927	7.4%	35,775,631	37,522,533	38,972,408	40,080,213	41,242,191	
Other Financing Uses										
5.010 Operating Transfers-Out			10,832							
5.020 Advances-Out	106,470	523,683	2,213,066	357.2%	250,000	250,000	250,000	250,000	250,000	
5.030 All Other Financing Uses										
5.040 Total Other Financing Uses	106,470	523,683	2,223,898	358.3%	250,000	250,000	250,000	250,000	250,000	
5.050 Total Expenditures and Other Financing Uses	32,968,981	35,425,315	40,109,825	10.3%	36,025,631	37,772,533	39,222,408	40,330,213	41,492,191	
6.010 Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	962,534	951,600-	2,381,254-	-24.3%	510,277-	1,437,325-	121,845	1,135,960-	2,447,938-	
7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	7,893,381	8,855,915	7,904,315	0.7%	5,523,061	5,012,784	3,575,459	3,697,304	2,561,344	
7.020 Cash Balance June 30	8,855,915	7,904,315	5,523,061	-20.4%	5,012,784	3,575,459	3,697,304	2,561,344	113,406	
8.010 Estimated Encumbrances June 30	1,108,956	834,283	943,762	-5.8%	800,000	800,000	800,000	800,000	800,000	
Reservation of Fund Balance										
9.010 Textbooks and Instructional Materials										
9.020 Capital Improvements										
9.030 Budget Reserve										
9.040 DPIA										
9.045 Fiscal Stabilization										
9.050 Debt Service										
9.060 Property Tax Advancements										
9.070 Bus Purchases										
9.080 Subtotal										
10.010 Fund Balance June 30 for Certification of Appropriations	7,746,959	7,070,032	4,579,299	-22.0%	4,212,784	2,775,459	2,897,304	1,761,344	686,594-	
Revenue from Replacement/Renewal Levies										
11.010 Income Tax - Renewal										
11.020 Property Tax - Renewal or Replacement										
11.300 Cumulative Balance of Replacement/Renewal Levies										
12.010 Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations	7,746,959	7,070,032	4,579,299	-22.0%	4,212,784	2,775,459	2,897,304	1,761,344	686,594-	
Revenue from New Levies										
13.010 Income Tax - New										
13.020 Property Tax - New										
13.030 Cumulative Balance of New Levies										
14.010 Revenue from Future State Advancements										
15.010 Unreserved Fund Balance June 30	7,746,959	7,070,032	4,579,299	-22.0%	4,212,784	2,775,459	2,897,304	1,761,344	686,594-	
ADM Forecasts										
20.010 Kindergarten - October Count	113	127	118	2.7%	133	133	133	133	133	
20.015 Grades 1-12 - October Count	3,224	3,285	3,384	2.5%	3,468	3,468	3,468	3,468	3,468	
State Fiscal Stabilization Funds										
21.010 Personal Services SFSF					\$471,389					
21.020 Employees Retirement/Insurance Benefits SFSF					\$106,486					
21.030 Purchased Services SFSF					\$86,920					
21.040 Supplies and Materials SFSF										
21.050 Capital Outlay SFSF										
21.060 Total Expenditures - SFSF					664,795					

See accompanying summary of significant forecast assumptions and accounting policies

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