

**MARIETTA CITY SCHOOL DISTRICT -- WASHINGTON COUNTY**

**WASHINGTON**

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	
<b>Revenues</b>										
1.010 General Property Tax (Real Estate)	8,460,112	8,502,874	8,857,284	2.3%	8,493,410	8,644,246	8,713,197	7,866,248	7,540,667	
1.020 Tangible Personal Property Tax	2,427,834	1,660,300	1,057,610	-34.0%	619,199	597,557	575,917	515,499	455,081	
1.030 Income Tax	-	-	-	-	-	-	-	-	-	
1.035 Unrestricted State Grants-in-Aid	8,003,858	8,346,287	8,182,712	1.2%	7,745,694	7,563,852	8,385,763	8,447,580	8,509,859	
1.040 Restricted State Grants-in-Aid	256,595	47,950	86,063	-0.9%	24,221	24,221	24,221	24,221	24,221	
1.045 Restricted Federal Grants-in-Aid - SF5F	-	-	-	-	520,620	760,740	-	-	-	
1.050 Property Tax Allocation	1,671,093	2,235,551	2,780,094	29.1%	3,150,504	3,174,363	3,183,188	3,140,037	2,264,478	
1.060 All Other Revenues	913,999	720,434	879,596	0.5%	883,320	872,682	861,938	861,938	855,126	
1.070 <b>Total Revenues</b>	<b>21,733,491</b>	<b>21,513,396</b>	<b>21,843,359</b>	<b>0.3%</b>	<b>21,436,969</b>	<b>21,637,661</b>	<b>21,744,224</b>	<b>20,844,671</b>	<b>19,649,432</b>	
<b>Other Financing Sources</b>										
2.010 Proceeds from Sale of Notes	-	-	-	-	-	-	-	-	-	
2.020 State Emergency Loans and Advancements (Approved)	-	-	-	-	-	-	-	-	-	
2.040 Operating Transfers-In	-	87,080	-	-	-	-	-	-	-	
2.050 Advances-In	81,448	209,660	69,020	45.2%	200,000	50,000	50,000	50,000	50,000	
2.060 All Other Financing Sources	29,418	9,436	1,500	-76.0%	5,000	5,000	5,000	5,000	5,000	
2.070 <b>Total Other Financing Sources</b>	<b>110,866</b>	<b>306,176</b>	<b>70,520</b>	<b>49.6%</b>	<b>205,000</b>	<b>55,000</b>	<b>55,000</b>	<b>55,000</b>	<b>55,000</b>	
2.080 <b>Total Revenues and Other Financing Sources</b>	<b>21,844,357</b>	<b>21,819,572</b>	<b>21,913,879</b>	<b>0.2%</b>	<b>21,641,969</b>	<b>21,692,661</b>	<b>21,799,224</b>	<b>20,899,671</b>	<b>19,704,432</b>	
<b>Expenditures</b>										
3.010 Personal Services	12,198,075	12,326,650	12,300,143	0.4%	12,144,229	12,443,667	13,063,940	13,536,658	14,045,901	
3.020 Employees' Retirement/Insurance Benefits	5,317,052	5,432,040	5,483,001	1.6%	5,946,187	6,405,818	7,026,527	7,648,036	8,338,693	
3.030 Purchased Services	2,138,235	2,273,466	2,420,222	6.4%	2,576,693	2,613,209	2,730,455	2,770,047	2,810,430	
3.040 Supplies and Materials	714,877	669,798	585,070	-9.5%	596,771	608,707	620,881	633,299	645,965	
3.050 Capital Outlay	534,571	122,677	24,653	-78.5%	82,356	10,000	10,000	10,000	10,000	
3.060 Intergovernmental	-	-	-	-	-	-	-	-	-	
4.010 Debt Service	-	-	-	-	-	-	-	-	-	
4.010 Principal-All (Historical Only)	110,000	123,000	126,000	7.1%	-	-	-	-	-	
4.020 Principal-Notes	-	-	-	-	-	-	-	-	-	
4.030 Principal-State Loans	-	-	-	-	-	-	-	-	-	
4.040 Principal-State Advancements	-	-	-	-	-	-	-	-	-	
4.050 Principal-HB 264 Loans	-	-	-	-	129,000	133,000	144,000	140,000	146,000	
4.055 Principal-Other	-	-	-	-	-	-	-	-	-	
4.060 Interest and Fiscal Charges	50,560	32,805	27,671	-25.4%	23,835	21,565	29,858	54,932	48,285	
4.300 Other Objects	437,506	559,694	499,975	8.6%	479,975	489,574	499,365	509,353	519,540	
4.500 <b>Total Expenditures</b>	<b>21,500,876</b>	<b>21,540,130</b>	<b>21,466,735</b>	<b>-0.1%</b>	<b>21,979,046</b>	<b>22,725,540</b>	<b>24,125,028</b>	<b>25,302,324</b>	<b>26,564,812</b>	
<b>Other Financing Uses</b>										
5.010 Operating Transfers-Out	103,300	105,000	112,524	4.4%	122,000	124,000	126,000	128,000	130,000	
5.020 Advances-Out	96,371	183,460	280,957	71.8%	50,000	50,000	50,000	50,000	50,000	
5.030 All Other Financing Uses	6,560	266	-	-98.0%	-	-	-	-	-	
5.040 <b>Total Other Financing Uses</b>	<b>206,231</b>	<b>288,726</b>	<b>393,481</b>	<b>38.1%</b>	<b>172,000</b>	<b>174,000</b>	<b>176,000</b>	<b>178,000</b>	<b>180,000</b>	
5.050 <b>Total Expenditures and Other Financing Uses</b>	<b>21,707,107</b>	<b>21,828,856</b>	<b>21,860,216</b>	<b>0.4%</b>	<b>22,151,046</b>	<b>22,899,540</b>	<b>24,301,028</b>	<b>25,480,324</b>	<b>26,744,812</b>	
6.010 <b>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</b>	<b>137,250</b>	<b>(9,284)</b>	<b>53,663</b>	<b>-392.4%</b>	<b>(509,078)</b>	<b>(1,206,879)</b>	<b>(2,501,803)</b>	<b>(4,580,653)</b>	<b>(7,040,380)</b>	
7.010 <b>Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies</b>	<b>2,884,774</b>	<b>3,022,024</b>	<b>3,012,740</b>	<b>2.2%</b>	<b>3,066,403</b>	<b>2,557,325</b>	<b>1,350,446</b>	<b>(1,151,357)</b>	<b>(5,732,010)</b>	
7.020 <b>Cash Balance June 30</b>	<b>3,022,024</b>	<b>3,012,740</b>	<b>3,066,403</b>	<b>0.7%</b>	<b>2,557,325</b>	<b>1,350,446</b>	<b>(1,151,357)</b>	<b>(5,732,010)</b>	<b>(12,772,390)</b>	
8.010 <b>Estimated Encumbrances June 30</b>	<b>389,597</b>	<b>178,605</b>	<b>160,077</b>	<b>-32.3%</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	
<b>Reservation of Fund Balance</b>										
9.010 Textbooks and Instructional Materials	26,784	121,206	20,277	134.6%	30,000	30,000	30,000	30,000	30,000	
9.020 Capital Improvements	62,639	-	-	-	-	-	-	-	-	
9.030 Budget Reserve	79,089	64,324	64,324	-9.3%	-	-	-	-	-	
9.040 DPIA	9,339	-	-	-	-	-	-	-	-	
9.045 Fiscal Stabilization	-	-	-	-	-	-	-	-	-	
9.050 Debt Service	-	-	-	-	-	-	-	-	-	
9.060 Property Tax Advances	-	-	-	-	-	-	-	-	-	
9.070 Bus Purchases	17,479	4,729	19,879	123.7%	-	-	-	-	-	
9.080 <b>Subtotal</b>	<b>195,330</b>	<b>190,259</b>	<b>104,479</b>	<b>-23.8%</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	
10.010 <b>Fund Balance June 30 for Certification of Appropriations</b>	<b>2,437,097</b>	<b>2,643,876</b>	<b>2,801,847</b>	<b>7.2%</b>	<b>2,327,325</b>	<b>1,120,446</b>	<b>(1,381,357)</b>	<b>(5,962,010)</b>	<b>(13,002,390)</b>	
<b>Revenue from Replacement/Renewal Levies</b>										
11.010 Income Tax - Renewal	-	-	-	-	-	-	-	-	-	
11.020 Property Tax - Renewal or Replacement	-	-	-	-	-	-	-	1,081,035	1,634,943	
11.300 <b>Cumulative Balance of Replacement/Renewal Levies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,081,035</b>	<b>2,715,978</b>	
12.010 <b>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</b>	<b>2,437,097</b>	<b>2,643,876</b>	<b>2,801,847</b>	<b>7.2%</b>	<b>2,327,325</b>	<b>1,120,446</b>	<b>(1,381,357)</b>	<b>(4,880,975)</b>	<b>(10,286,412)</b>	
<b>Revenue from New Levies</b>										
13.010 Income Tax - New	-	-	-	-	-	-	-	-	-	
13.020 Property Tax - New	-	-	-	-	-	-	-	104,311	183,847	
13.030 <b>Cumulative Balance of New Levies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>104,311</b>	<b>288,158</b>	
14.010 Revenue from Future State Advancements	-	-	-	-	-	-	-	-	-	
15.010 <b>Unreserved Fund Balance June 30</b>	<b>2,437,097</b>	<b>2,643,876</b>	<b>2,801,847</b>	<b>7.2%</b>	<b>2,327,325</b>	<b>1,120,446</b>	<b>(1,381,357)</b>	<b>(4,776,664)</b>	<b>(9,998,254)</b>	
<b>ADM Forecasts</b>										
20.010 Kindergarten - October Count	-	-	-	-	238	238	238	238	238	
20.015 Grades 1-12 - October Count	-	-	-	-	2744	2744	2744	2744	2744	
<b>State Fiscal Stabilization Funds</b>										
21.010 Personal Services SF5F	-	-	-	-	-	-	-	-	-	
21.020 Employees Retirement/Insurance Benefits SF5F	-	-	-	-	-	-	-	-	-	
21.030 Purchased Services SF5F	-	-	-	-	520,620	760,740	-	-	-	
21.040 Supplies and Materials SF5F	-	-	-	-	-	-	-	-	-	
21.050 Capital Outlay SF5F	-	-	-	-	-	-	-	-	-	
21.060 <b>Total Expenditures - SF5F</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>520,620</b>	<b>760,740</b>	<b>-</b>	<b>-</b>	<b>-</b>	
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										

**Marietta City School District  
Assumptions for October 2009  
5 year Forecast**

**General Property Taxes**

FY 10 thru FY 14 - Valuation growth from new construction is projected at 0.5% annually for Agricultural & Residential property and Commercial & Industrial property for tax years 2009 and 2010. For tax years 2011, 2012 and 2013 Agricultural & Residential property is projected at 0.85% annually and Commercial & Industrial property is projected at 1.00% annually. FY11 - Valuation growth of 1% for Agriculture & Residential Property, 0% for Commercial & Industrial as a result of the sexennial reappraisal. These projections are based upon recent historical information and current market conditions. Starting with FY10 there will be a reduction of \$206,000 annually due to Marietta Memorial Hospital filing for a tax exemption August 15, 2007 on property taxes they had been paying for the previous two years that has just been approved earlier this year. There will be an additional loss of \$55,000 annually for the next 13 years as the district will have to repay those taxes previously paid by the hospital. The total loss is \$261,000 annually. There will also be a \$25,000 annual loss starting in FY 09 as a result of a reduction in the value of Ventas Realty. With reduced taxes from Marietta Memorial and Ventas Realty, expansion of the homestead exemption program and increased delinquencies there is a decrease in property taxes in FY 10. However there is an increase in Property Tax Allocations to reflect those homestead exempted taxes now being reimbursed by the state. It is also assumed there will be a renewal of the 8.5 mill 5 year property tax levy in 2012.

**Tangible Property Taxes**

Tangible taxes have dropped approximately 25% per year starting in tax year 2006 and continued until completely gone in tax year 2009 as it was eliminated by the legislature. Public Utility Tangible property is currently exempt from this law and will remain intact however values have decreased. The state has agreed to hold schools harmless and will reimburse based on 2004 values for the lost revenue due to this legislation but not for laws already in effect that were reducing tangible inventory values. This reimbursement is scheduled to be phased out starting in FY 14 but will be partially offset by an increase in funding from the state foundation. This reimbursement from the state is reflected in the property tax allocation revenue. It is important to note that Tangible Property generated approximately \$2,200,000 in 2004 and the reimbursement from the State is approximately \$1,850,000.

**Unrestricted and Restricted Grants in Aid**

There is now a completely new funding formula that is only partially funded by the state and therefore they have guaranteed 99% of FY 09 funding for FY 10. The state has projected we will receive \$8,120,000 for FY 10 and \$8,180,000 for FY 11. Included in those numbers are Federal Fiscal Stabilization Funds of \$520,000 for FY 10 and \$760,000 for FY 11. It is assumed that by FY 12 and beyond the State will be able to fund the new formula and will be phased in on schedule. Funding for school bus purchases has been eliminated by the state and we had previously received approximately \$17,000 annually which had continued to decline the past several years. Starting in FY 07 the district lost \$120,000 annually due to the cancellation of the CAFS reimbursement by the State. These are federal Medicaid funds which are a reimbursement for some of the services provided our special education student population. The Board of Education was a participant in a lawsuit with several other school districts against the State of Ohio to force them to comply with the federal standards and was

successful. Funding has been reinstated and we are initially projecting annual funding of \$80,000.

### **Property Tax Allocation**

This is a reimbursement from the state for rollbacks and exemptions on real property and manufactured homes and also tangible tax revenues eliminated by legislation. The real property reimbursements are based upon current calendar year actual and estimate for following years. Manufactured homes property reimbursement is based upon prior year actual. Tangible tax revenue reimbursement has continued to increase as taxes have been phased out. Originally this reimbursement was to be phased over an eight year period starting in FY 12 however the legislature has amended that to start in FY 14. At that time there is projected to be an \$876,000 reduction.

### **All Other Revenue**

This is projected to remain fairly constant for FY 10 mainly due to a projected increase from open enrollment that is offset by reduced investment revenue. There are decreases in future years as investment revenue is projected to decrease as our cash carryover also decreases and potential rate decreases.

### **All Other Financing Sources**

FY 10 - FY 14 sale of miscellaneous property and the return of advances from federal and state grants.

### **Personal Services**

FY 10 - 0% increase for all staff. FY 11, FY 12, FY 13 and FY 14 reflect a 2.75% increase annually based upon historical information. Average incremental increases of 1.00% based upon MEA and OAPSE negotiated agreements and state law. Only teachers with less than 15 years experience and classified staff with less than 10 years experience receive this increase. FY10 reflects the net savings from the retirement of 5 staff members, resignation of 6 staff members, reduction of 2 staff members and the non renewal of 3 staff members. Also 4 staff members will be compensated from Federal Stimulus funds for FY 10 and FY 11. FY11 reflects the reduction of 1 staff member through attrition.

### **Employee's Retirement/Insurance Benefits**

FY 10 - FY 14 - Retirement increases as reflected by assumed salary increases.

FY 10 - 18% Health Insurance increase. 6% Dental and 0% Vision Insurance increases. Blended increase of 11.7%. Workers Comp. Rate to remain constant.

FY 11 through FY 14 - 12% Health Insurance increase. 4% Dental and 4% Vision Insurance increases. Blended increase of 11.7%. Workers Compensation is projected to have some decreases

### **Purchased Services**

We have estimated an additional \$120,000 for the cost of open enrollment as that continues to increase. As part of the pre-school program has already been transferred from Ewing School to the school district this is an expense that could grow if the entire pre-school program is transferred from Ewing School. Future years projected at 2% except for FY12 when additional costs of \$80,000 could be incurred by the General Fund when Title IDEA-B funds will be reduced.

**Supplies and Materials**

There was a reduction of \$150,000 annually starting in FY 08 for textbook adoptions which will be paid for by the Permanent Improvement Fund. However some of that reduction was offset with an increase in bus fuel. Future years are based upon a 2% increase annually.

**Capital Outlay**

FY 10 \$64,324 for Bus Replacement and \$18,000 for equipment

FY 11 through FY 14 \$10,000 annually for equipment

The expenditures for a bus for FY 10 will be paid from a budget reserve account designated for bus purchases. For FY 10 through FY 14, other capital expenditures for instructional equipment, technology, buildings repairs, office equipment and buses will be paid for from the permanent improvement fund which is assumed will be renewed in 2012.

**Other Objects**

Current year decreased expenditures mainly due to decreased County Auditor and Treasurer fees as Tangible Property taxes have declined. Future years based upon 2.0% annual increase.

**Debt Service**

FY 10 – FY 14 - Reflects principal and interest payments for HB 264 energy saving loans.

**Other Financing Uses**

FY 10 – FY 14 - Projected all years for Transfers Out & Advances Out.

**Enrollment**

FY 10 – FY 14 -Enrollment to remain fairly constant.

**Staffing**

FY 10 - Reduction of 1 staff position

FY 11 - Reduction of 1 staff position

FY 12 - Staffing to remain constant

FY 13 - Staffing to remain constant

FY 14 - Staffing to remain constant

**Facilities**

It is assumed we are in our current facilities throughout this 5 year period. If a levy is approved for the construction of new schools, there will be anticipated operational savings when the new schools are opened.