



Bethel Local Schools

Five Year Forecast Financial Report

October, 2018

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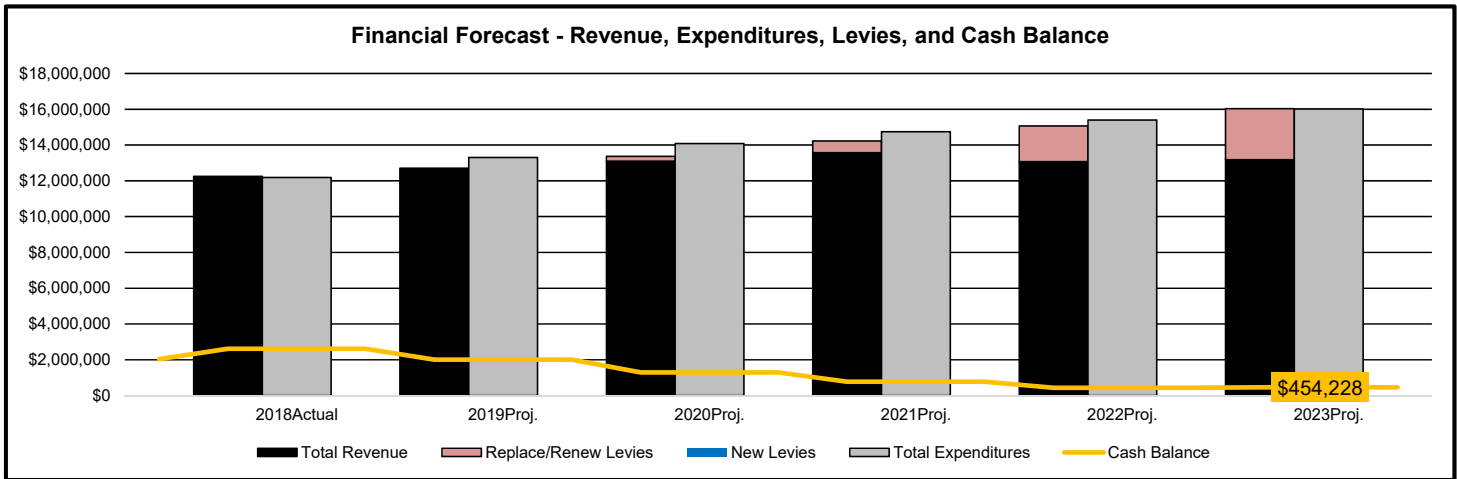
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Forecast Purpose/Objectives

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 financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

Forecast Methodology - This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year and while cash flow monitoring helps to identify unexpected variances no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.



Bethel Local Schools

Financial Forecast

	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Beginning Balance	2,902,531	2,305,882	1,591,041	1,067,376	730,075
+ Revenue	12,709,078	13,094,895	13,570,296	13,068,358	13,177,768
+ Proposed Renew/Replacement Levies	-	269,848	652,210	1,994,529	2,858,603
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(13,305,727)	(14,079,584)	(14,746,171)	(15,400,188)	(16,012,218)
= Revenue Surplus or Deficit	(596,649)	(714,841)	(523,665)	(337,301)	24,153
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	2,305,882	1,591,041	1,067,375	730,075	754,229

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	(596,649)	(984,689)	(1,175,875)	(2,331,830)	(2,834,450)
Ending Balance w/o Levies	2,305,882	1,321,193	145,318	(2,186,512)	(5,020,962)

Bethel Local Schools is experiencing rapid growth due to a new development. The District is currently seeing an average increase of 8% in student enrollment each school year. There are no new levies projected during this forecast period but there is a projected approval of a substitute emergency levy and a renewal of an earned income tax levy. As a result of the growth in students, expenditures will also increase due to additional staffing and increased operating expenditures.

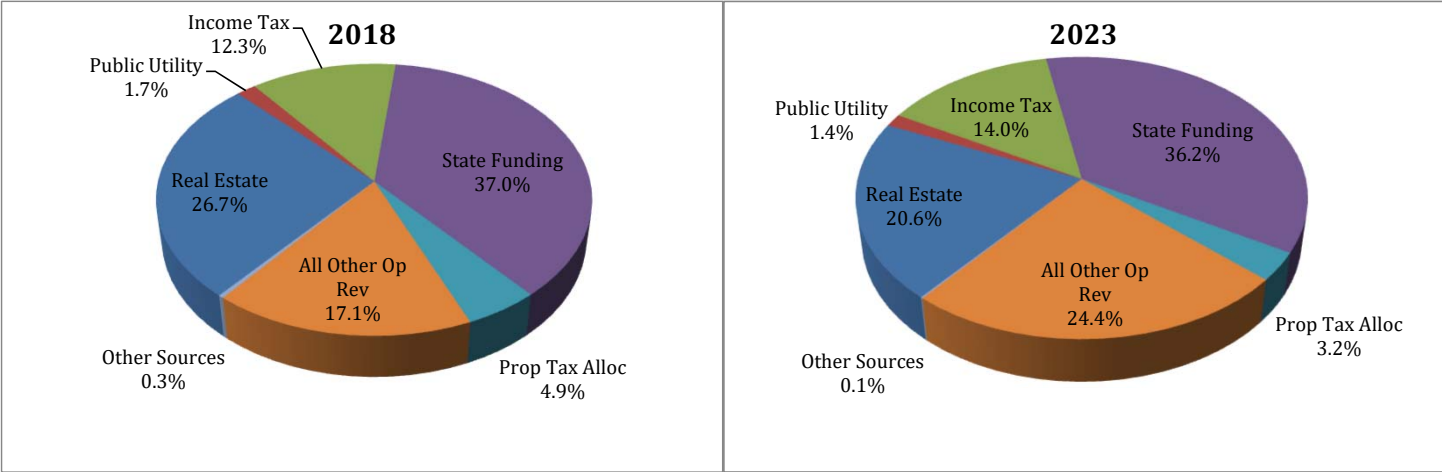
The District is projected to have deficit spending 4 out of the 5 years of the forecast but will still have a positive ending cash balance at the end of FY 2023

Another way to look at ending cash is to state it in "True Cash Days." In other words, how many days could the district operate at year end if no additional revenues were received. This is the Current Years Ending Cash Balance divided by (Current years Expenditure/365 days) = number of days the district could operate without additional resources or a severe resource interruption. The Government Finance Officers Association (GFOA) recommends no less than two (2) months or 60 days cash to be on hand at year end but could be more depending on each district's complexity and risk factors for revenue collection.

Based on projections, True Cash Days are as followed:

FY 19 => 63 days; FY 20 => 41 days; FY 21 => 26 days; FY 22 => 17 days; FY 23 => 17 days

Revenue Sources and Forecast Year-Over-Year Projected Overview



	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Revenue:							
1.010-Real Estate	0.29%	-2.34%	1.18%	0.81%	0.55%	0.64%	0.17%
1.020-Public Utility	5.31%	0.77%	4.61%	2.86%	2.96%	2.86%	2.81%
1.030-Income Tax	13.06%	8.02%	8.21%	8.29%	8.36%	8.43%	8.26%
1.035-State Funding	11.66%	5.41%	5.09%	4.91%	4.86%	4.96%	5.04%
1.040-Restricted Aid	1056.61%	9.68%	24.63%	20.75%	13.81%	2.88%	14.35%
1.045-Restr Federal SFSP	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	2.54%	-15.34%	0.77%	0.61%	0.35%	0.46%	-2.63%
1.060-All Other Operating	48.11%	8.29%	14.59%	16.36%	13.07%	14.48%	13.36%
1.070-Total Revenue	7.82%	3.06%	6.06%	6.43%	5.92%	6.47%	5.59%
2.070-Total Other Sources	10.25%	208.25%	-84.26%	0.00%	0.00%	0.00%	24.80%
2.080-Total w/Other Srcs	7.79%	3.75%	5.16%	6.42%	5.91%	6.46%	5.54%

Bethel Local Schools is experiencing rapid growth due to a new development. The District is currently seeing an average increase of 8% in student enrollment each school year. As a result of the rapid growth the District is receiving additional monies from the state. Also, as a result of the new development there is a TIF agreement. In FY18, the TIF generated \$1.935 million. Of that, \$209,641 was transferred to the bond fund, while 30% of the TIF receipts were posted directly into a capital projects fund. By Board resolution, 30% of all TIF receipts going forward, for the next 10 years, is to be posted into capital projects fund. Therefore, \$1.58 million was maintained in the General Fund.

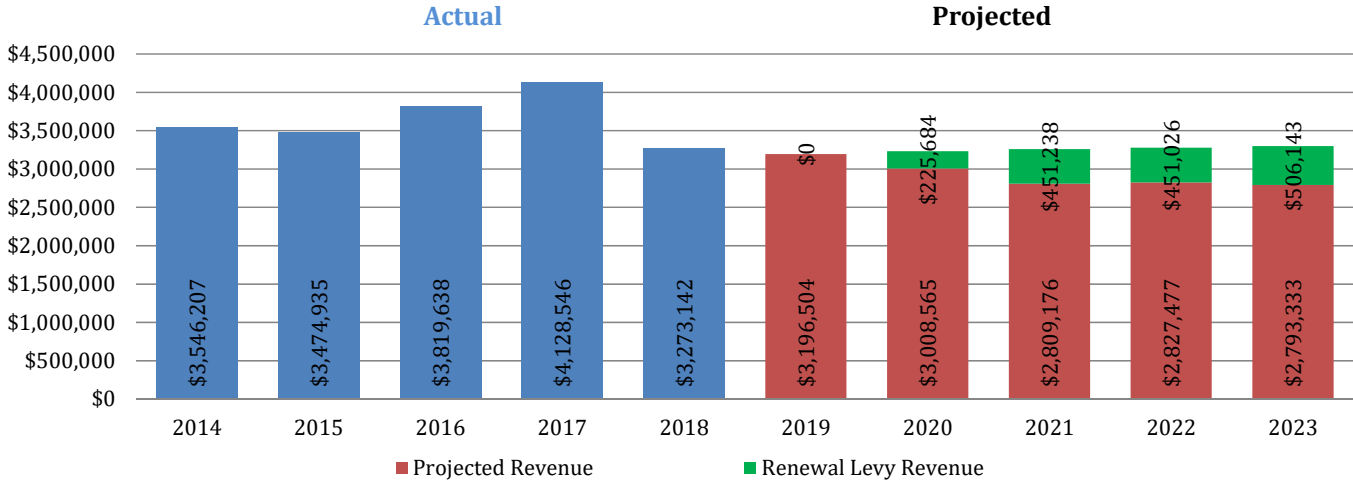
Overall, District Total Revenue is being projected to increase 5.59% each year over the next five years.

The projection is being driven by:

- Income Tax Revenue which is expected to grow by 8% in each year (based on being renewed).
- State funding increase due to increase enrollment
- The TIF agreement which is expected to provide \$1.85 million in FY19 after 30% allocation to capital projects fund as the development continues to be completed. Based on history of the revenue growth, it is estimated that revenue will continue to increase between 15-25% during the next five years. It is anticipated that the development will be completed between 3 to 4 years from now and eventually the revenue will level off. The major TIF (Carriage Trails) is 30 yr TIF and approved in 2005

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).



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	3,273,142	3,196,504	3,234,249	3,260,414	3,278,503	3,299,476
YOY \$ Change	(855,404)	(76,638)	37,745	26,165	18,089	20,973
YOY % Change	-20.7%	-2.3%	1.2%	0.8%	0.6%	0.6%

Percentage of Total Revenue	26.7%	25.2%	24.2%	22.9%	21.8%	20.6%
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Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2017	148,214,320	(3,756,380)	24.81	0.05	26.60	1.26	107.4%
2018	149,340,090	1,125,770	24.77	(0.05)	26.49	(0.10)	100.0%
2019	154,741,415	5,401,325	24.16	(0.61)	25.83	(0.66)	100.0%
2020	155,297,314	555,899	24.18	0.02	25.96	0.13	100.0%
2021	156,505,320	1,208,005	24.14	(0.05)	25.86	(0.10)	100.0%
2022	158,645,320	2,140,000	23.94	(0.20)	25.95	0.09	100.0%

There are no new levies projected during this forecast period but there is a projected approval of a substitute emergency levy. Prior fiscal years' receipts included TIF revenue. From FY 18 and on, TIF is posted on line 1.06

Miami County will have a reappraisal of property during calendar year 2019. Due to HB49, it is anticipated to see reduction in CAUV agricultural values. CAUV (Current Agricultural Use Value) values represent 8.3% of Class I residential agricultural values. The new computation has resulted in values falling on average between 25-30% from other counties that have gone through a reappraisal or update. This will cause a shift in taxes from agricultural taxpayers to residential taxpayers but should not result in lower taxes to the district. It is anticipated that there will be modest growth on residential property during this time.

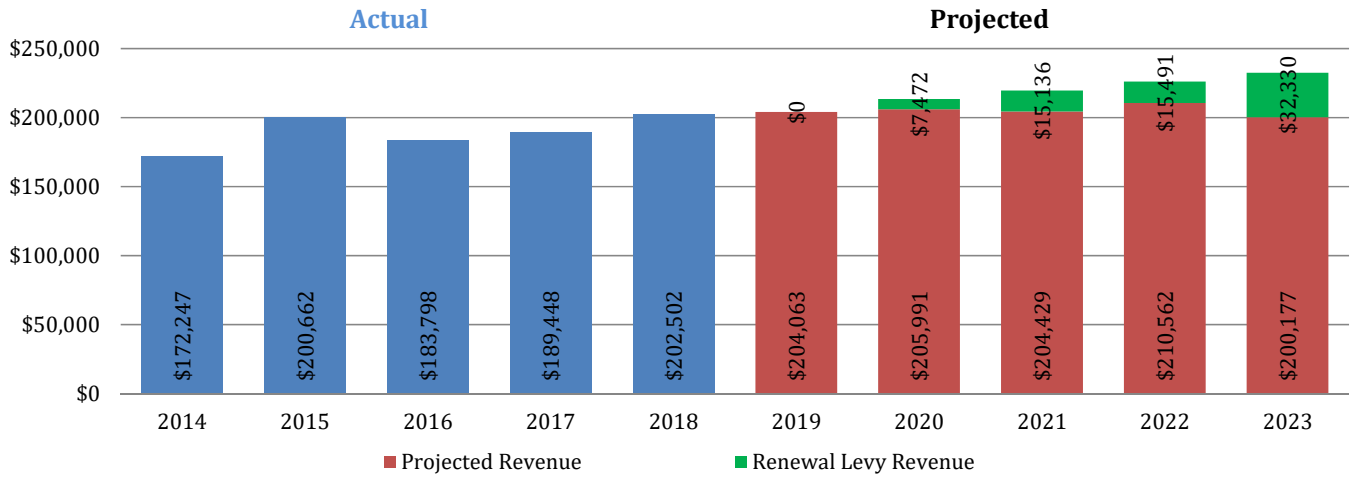
As of Calendar Year 2018, the district was at 21.21 mills (not including emergency levy mills). Ohio law state that a district can't fall below the 20 mill floor. Only current expense millage (inside or outside) counts toward the 20 mill-floor. Levies for bonds, permanent improvement, and emergency do not count towards the 20-mill floor. Based on the reappraisal, the District could be close to reaching the 20 mill floor in future years.

The District currently has a substitute (emergency) levy up for vote in November 2018 which is currently set to expire in Dec 2019. Property tax levies are estimated to be collected at 100% of the annual amount due to the historically low delinquency rate. The green in fiscal years 2020-2023 represent revenue at stake if the substitute emergency levy is not renewed and expires.

**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.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	202,502	204,063	213,463	219,565	226,053	232,507
YOY \$ Change	13,054	1,561	9,400	6,102	6,488	6,454
YOY % Change	6.9%	0.8%	4.6%	2.9%	3.0%	2.9%

Percentage of Total Revenue	1.7%	1.6%	1.6%	1.5%	1.5%	1.4%
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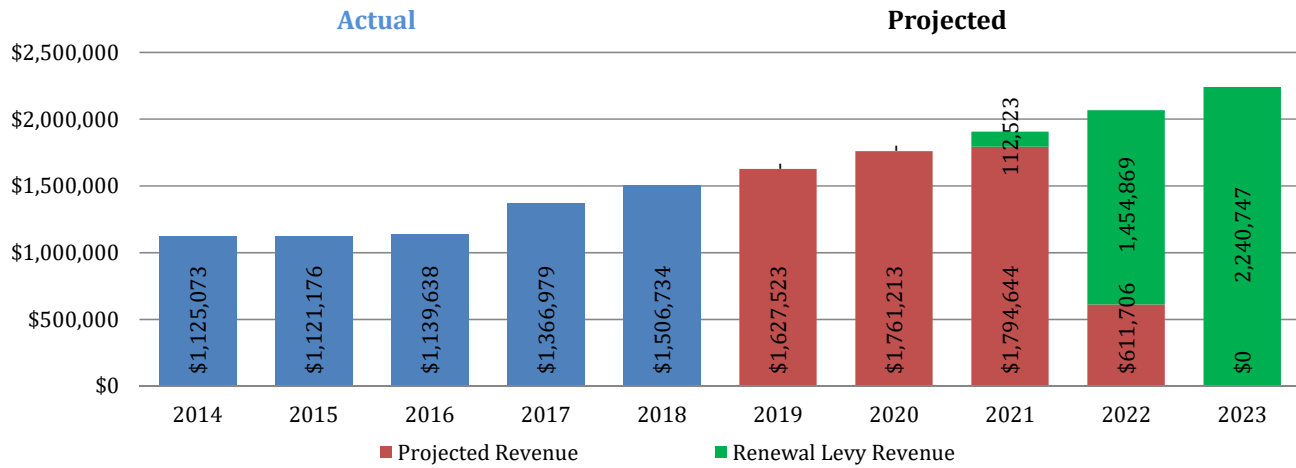
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2017	4,087,110	169,700	50.05	-	97.9%
2018	4,209,723	122,613	50.02	(0.03)	100.0%
2019	4,336,015	126,292	49.90	(0.12)	100.0%
2020	4,466,095	130,080	49.88	(0.01)	100.0%
2021	4,600,078	133,983	49.85	(0.03)	100.0%
2022	4,732,078	132,000	49.81	(0.05)	100.0%

The district has minimal Public Utility Personal Property and shows minimal growth. The green in fiscal years 2020-2023 represent the revenue at stake if the substitute emergency is not renewed and expires.

**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.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	1,506,734	1,627,523	1,761,213	1,907,167	2,066,575	2,240,747
YOY \$ Change	139,755	120,789	133,690	145,954	159,408	174,172
YOY % Change	10.2%	8.0%	8.2%	8.3%	8.4%	8.4%
Percentage of Total Revenue	12.3%	12.8%	13.2%	13.4%	13.7%	14.0%

Income Tax Revenue represents approx. 13% of the Fiscal Year 2019 total general fund revenue.

The 0.75% income tax is based on wage earnings of district residents. Non-wage earnings (retirement, interest, etc.) are not subject to the income tax.

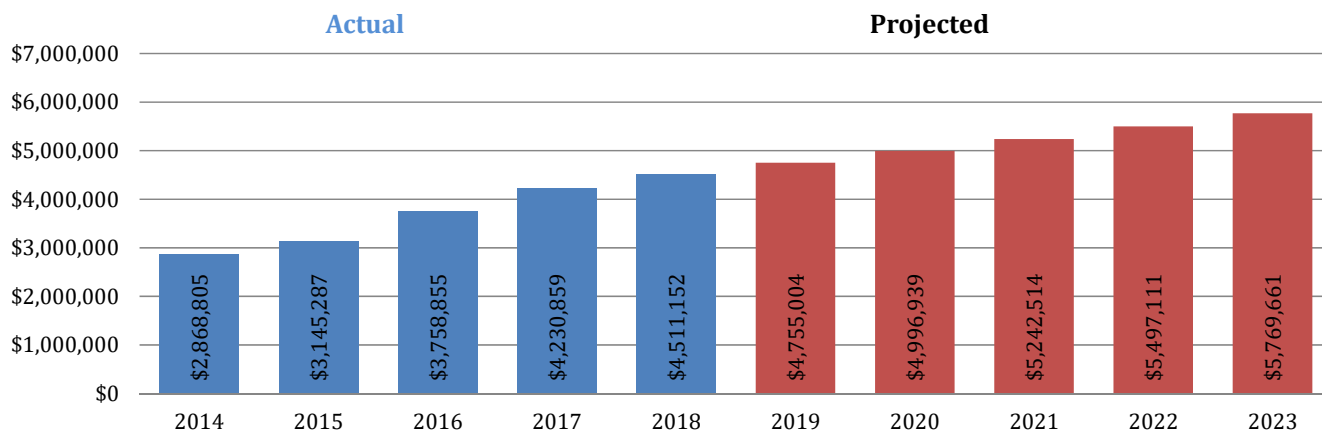
The Income Tax Revenue is expected to grow by 8% in each fiscal year based on new development within the district.

The earned income tax levy is expiring on December 31, 2020 and will need to be renewed. The green in fiscal year 2021 through 2023 represents the revenue at stake if levy is not renewed.

**Projected % trends include renewal levies*

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	4,511,152	4,755,004	4,996,939	5,242,514	5,497,111	5,769,661
YOY \$ Change	280,293	243,852	241,935	245,575	254,597	272,550
YOY % Change	6.6%	5.4%	5.1%	4.9%	4.9%	5.0%

Percentage of Total Revenue	36.8%	37.4%	37.4%	36.9%	36.5%	36.0%
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Core Funding Per Pupil	6,010	6,020	6,020	6,020	6,020	6,020
State Share Index (SSI)	58.7%	58.7%	67.3%	67.3%	74.1%	74.1%
State Core Funding Per Pupil	3,530	3,535	4,054	4,054	4,460	4,460

Formula ADM (Funded Student Count)	1,359	1,449	1,529	1,634	1,743	1,855
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Funding Status	Capped	Capped	Capped	Capped	Capped	Capped
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The District currently has projected growth in its unrestricted aid, but with a limit of a "Gain Cap"

The state budget approved at the end of June 2017 included a gain cap of 5.5% in 2018 and 2019

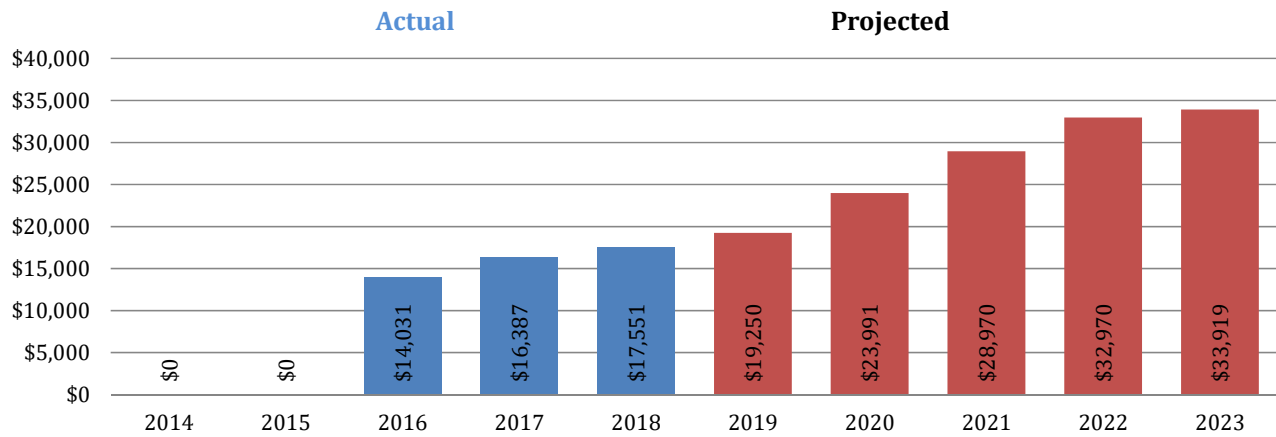
The calculation of the gain cap is as follows:
 -IF (ADM%Change)>= 0.555 THEN Multiplier =1.055
 -IF (ADM%Change)<=0.03 THEN Multiplier = 1.03
 -IF 0.03 <(ADM%Change) <0.055 THEN Multiplier = ADM %Change +1

Due to the District's rapid growth this line item increased by 6.6% in FY 2018 and is projected to increase by approx. 5% in FY 2019 to FY 2023. The next state budget to be processed and established will happen in spring 2019 for FY 20 and FY 21. The forecast assumes the same or similar funding formula will remain in place.

Also included in here is casino revenue which is estimated at approx \$80,000 in FY 19 with an estimated growth of 5% each year

1.040 & 1.045 - Restricted Grants-in-Aid

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

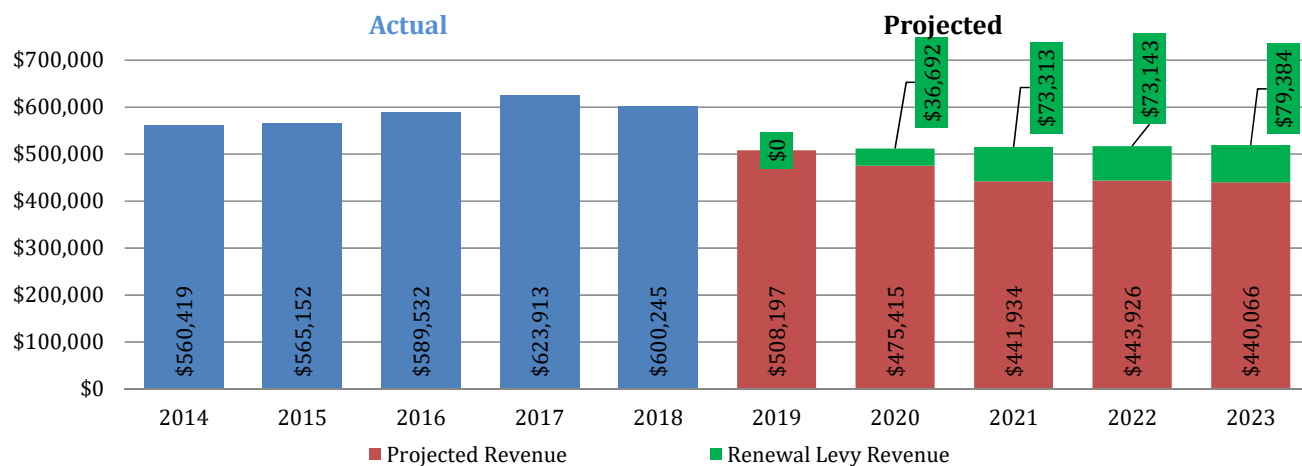


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	17,551	19,250	23,991	28,970	32,970	33,919
YOY \$ Change	1,164	1,699	4,741	4,979	4,000	949
YOY % Change	7.1%	9.7%	24.6%	20.8%	13.8%	2.9%
Percentage of Total Revenue	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%
Economic Disadvantaged Funding	12,617	13,202	18,052	23,032	27,032	27,981
Percentage of Disadvantaged Students	23.5%	23.5%	27.2%	29.2%	31.2%	31.2%

Projected funding in this category is comprised of career tech funding and economic disadvantaged funding

1.050 - Property Tax Allocation

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	600,245	508,197	512,107	515,247	517,069	519,450
YOY \$ Change	(23,668)	(92,048)	3,910	3,140	1,822	2,381
YOY % Change	-3.8%	-15.3%	0.8%	0.6%	0.4%	0.5%
Percentage of Total Revenue	4.9%	4.0%	3.8%	3.6%	3.4%	3.2%
% of Residential Real Estate 10% Rollback	10.02%	10.02%	10.02%	10.02%	10.02%	10.02%
% of Residential Real Estate 2.5% Rollback	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%
% of Residential Real Estate Homestead	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%

Prior fiscal years included TIF revenue, which as of FY 2018 is posted to line 1.06 All Other Operating Revenue.

Rollbacks funds are reimbursements paid to the district from Ohio for tax credits given owner occupied residences equaling 12.5% of the grow property taxes charged residential taxpayers on tax levies passed prior to September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 23, 2013 which is the effective date of HB59

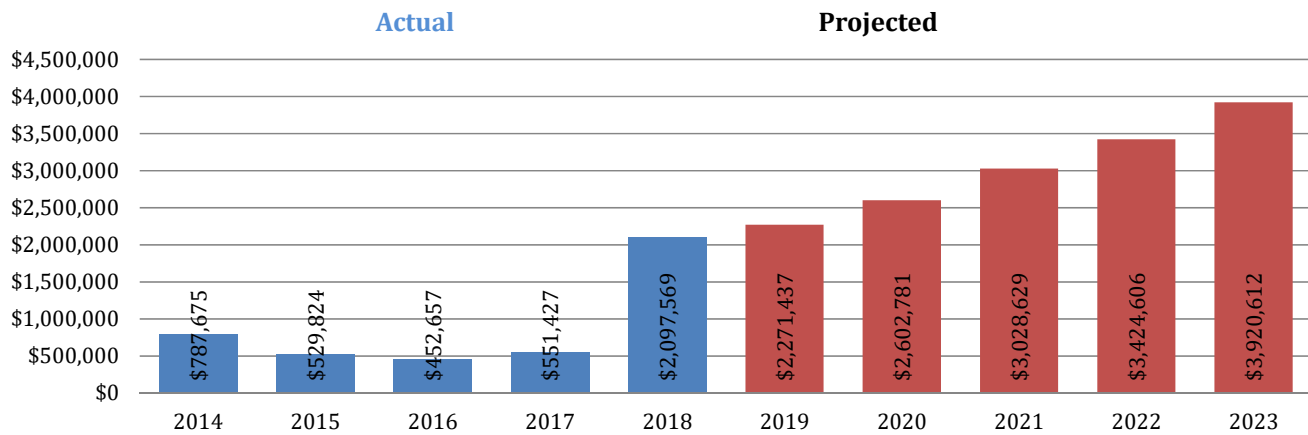
Effective September 29, 2013 HB59 changes the requirement for Homestead Exemptions. Individual taxpayers who do not currently have their Homestead Exemption approved or those who do not get a new application approved for tax year 2013, and who become eligible thereafter will only receive a Homestead exemption if they meet the income qualification. Taxpayers who currently have their Homestead Exemption as of September 29, 2013 will not lose it going forward and will not have to meet the new income qualifications. This will slow the growth of homestead reimbursements to the district, and as with the rollback reimbursements above, increase the taxes collected locally on taxpayers on any new levies.

The green in fiscal year 2020 through 2023 represents the revenue at stake if substitute emergency levy is not renewed.

**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.

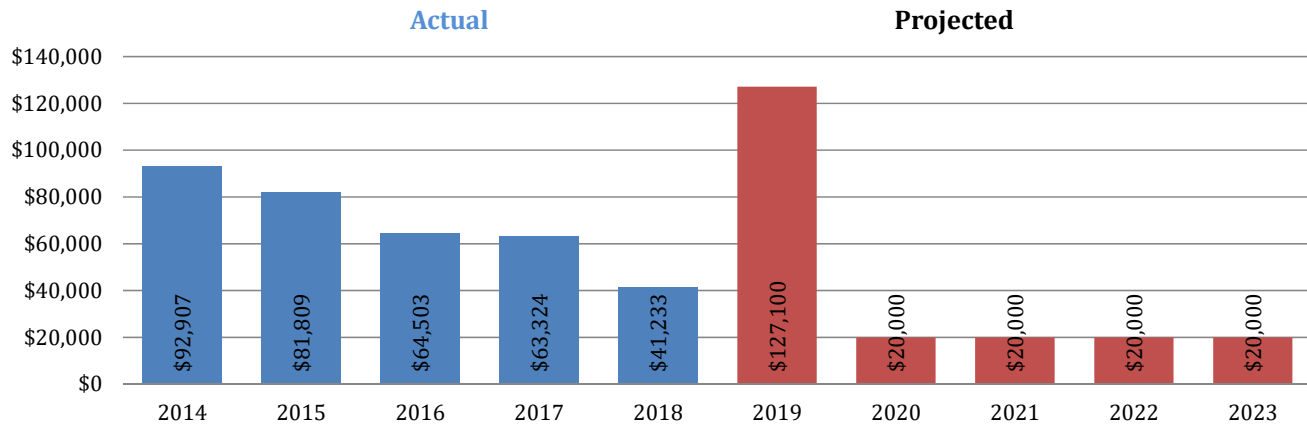


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	2,097,569	2,271,437	2,602,781	3,028,629	3,424,606	3,920,612
YOY \$ Change	1,546,142	173,868	331,344	425,848	395,977	496,006
YOY % Change	280.4%	8.3%	14.6%	16.4%	13.1%	14.5%
Percentage of Total Revenue	17.1%	17.9%	19.5%	21.3%	22.7%	24.4%

Beginning in FY 2018, this line item includes TIF Revenue. The TIF agreement which is expected to provide \$1.85 million in FY 19 after 30% allocation to capital projects fund as the development continues to be completed. Based on history of the revenue growth, it is estimated that revenue will increase between 15%-25% during the next five years. It is anticipated that the development will be completed between 3 to 4 years from now and eventually the revenue will level off. The major TIF (Carriage Trails) is a 30 year TIF which was approved back in 2005. This category also includes tuition, interest earnings, and rental property.

2.070 - Total Other Financing Sources

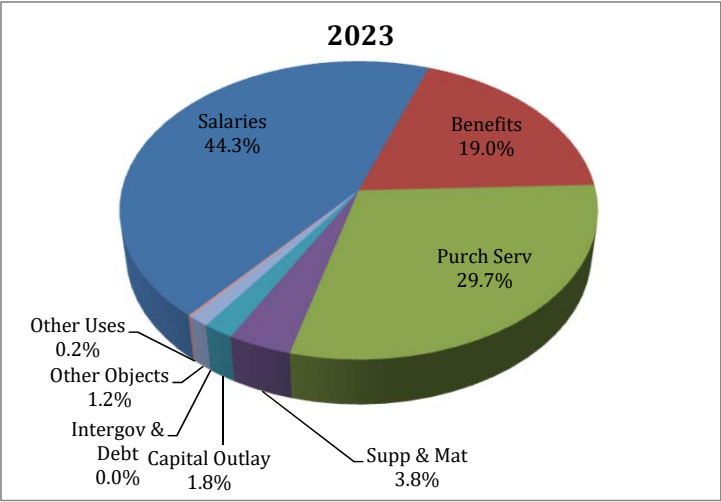
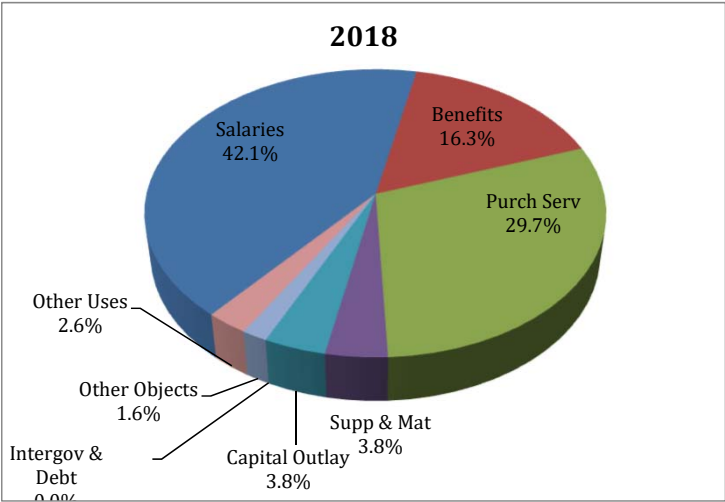
Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	41,233	127,100	20,000	20,000	20,000	20,000
YOY \$ Change	(22,091)	85,867	(107,100)	-	-	-
YOY % Change	-34.9%	208.2%	-84.3%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.3%	1.0%	0.1%	0.1%	0.1%	0.1%
Transfers In	-	-	-	-	-	-
Advances In	-	57,500	-	-	-	-

This category includes refunds of monies spent in prior years and consisted mainly of SERS refunds. Care has been taken in future years to properly estimate SERS payments so as to not generate large refunds.

Expenditure Categories and Forecast Year-Over-Year Projected Overview



	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Expenditures:							
3.010-Salaries	7.75%	13.68%	8.00%	3.81%	4.08%	4.19%	6.75%
3.020-Benefits	7.60%	16.90%	9.67%	6.26%	5.92%	5.97%	8.95%
3.030-Purchased Services	9.54%	14.04%	3.32%	3.78%	3.73%	3.54%	5.68%
3.040-Supplies & Materials	17.83%	20.60%	-19.86%	28.11%	2.90%	2.82%	6.92%
3.050-Capital Outlay	1295.32%	-43.48%	4.08%	1.73%	1.79%	1.85%	-6.81%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	-30.03%	n/a	n/a	n/a	n/a	n/a	n/a
4.300-Other Objects	19.38%	-17.00%	29.08%	-12.66%	22.30%	-13.22%	1.70%
4.500-Total Expenditures	9.18%	11.85%	5.83%	4.75%	4.45%	3.98%	6.17%
5.040-Total Other Uses	92.26%	-88.99%	0.00%	0.00%	0.00%	0.00%	-17.80%
5.050-Total w/Other Uses	9.65%	9.22%	5.82%	4.73%	4.44%	3.97%	5.64%

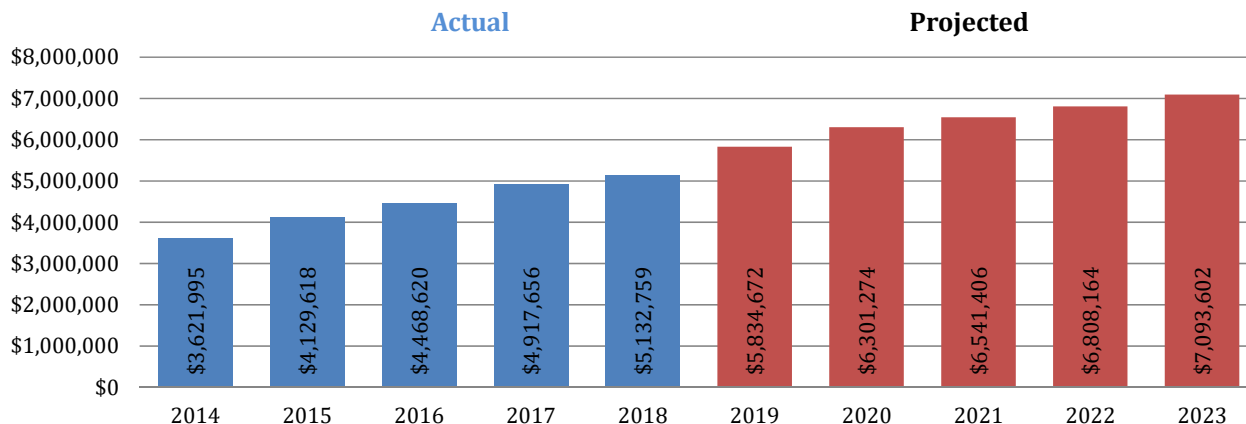
Overall expenditures are projected to increase on average at a rate of 6% per year. Salary and benefit spending is anticipated to increase in conjunction with additional staff due to increased enrollment. Each expenditure note goes into further detail about the year over year change.

Purchased services are also projected to increase as the district will require more services from the county office and more special education services

The District will also have higher operational costs due to building a new high school which became operational in FY2018.

3.010 - Personnel Services

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	5,132,759	5,834,672	6,301,274	6,541,406	6,808,164	7,093,602
YOY \$ Change	215,103	701,913	466,602	240,132	266,758	285,438
YOY % Change	4.4%	13.7%	8.0%	3.8%	4.1%	4.2%
Percentage of Total Budget	42.1%	43.9%	44.8%	44.4%	44.2%	44.3%

Personnel Services represent approx. 44% of total expenditures of the District. It is projected that costs associated with personnel services to increase between 4-13% from FY19-23.

Per Bethel Education Association negotiated agreement, six retro steps are being projected for FY19 through FY21.

During FY 2018, the following increases were approved for FY19:

- Certified Administrators - 2.3% base salary increase
- Classified Administrators - 1.8% base salary increase
- All Classified staff who qualify - 3 retro steps

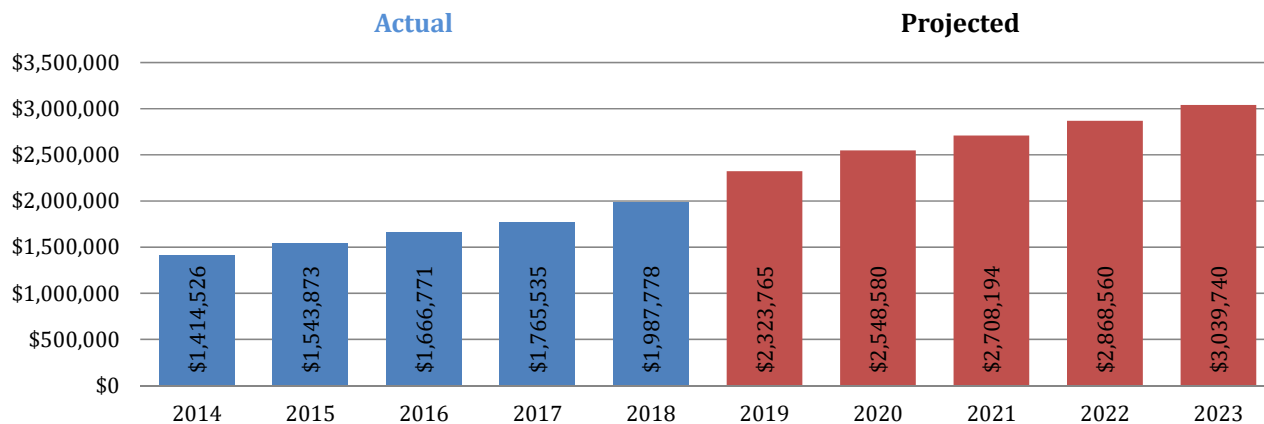
The District hired 5 new teachers, 1 counselor, and 1 administrator for FY19

4 additional teachers, 1 administrator, 1 paraprofessional staff, and 1 bus driver are being projected for FY 20

2 additional teachers, 1 paraprofessional staff, and 1 bus driver are being projected for FY 21-23

3.020 - Employees' Benefits

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



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	1,987,778	2,323,765	2,548,580	2,708,194	2,868,560	3,039,740
YOY \$ Change	222,243	335,987	224,815	159,614	160,366	171,180
YOY % Change	12.6%	16.9%	9.7%	6.3%	5.9%	6.0%
Percentage of Total Budget	16.3%	17.5%	18.1%	18.4%	18.6%	19.0%

Employees' Benefits represent approx. 18% of total expenditures of the District. It is projected that costs associated with Employees' Benefits to increase between 6-10% from FY19-23

Most of the increase in benefits is being driven by additional staff.

Health insurance is projected to increase by 5% from FY19-23

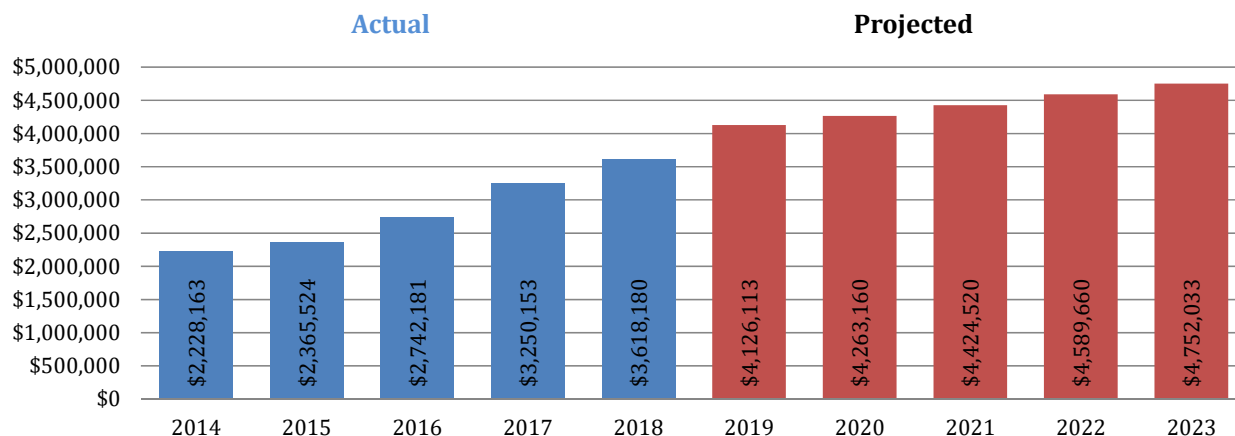
Vision insurance will be offered to all employees beginning in FY19. it is projected to increase by 2% each year.

Dental Insurance is projected to increase by 2% each year

Life Insurance is projected to increase by 2% each year

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.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	3,618,180	4,126,113	4,263,160	4,424,520	4,589,660	4,752,033
YOY \$ Change	368,027	507,933	137,047	161,360	165,140	162,373
YOY % Change	11.3%	14.0%	3.3%	3.8%	3.7%	3.5%
Percentage of Total Budget	29.7%	31.0%	30.3%	30.0%	29.8%	29.7%

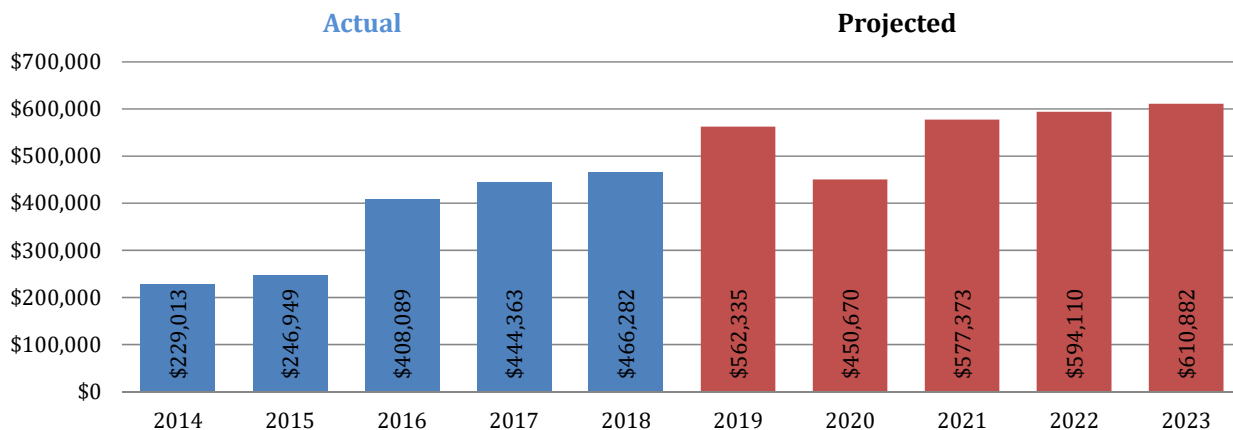
Purchased Services represent approx. 30% of total expenditures of the District. It is projected that costs associated with purchased services to increase approx. 3.5% each year

Purchased Services can be broken out into three categories which include instructional costs, utilities, and other purchased services

- Instructional costs - cost associated to services provided through ESC, costs deducted from District's foundation payments such as open enrollment, charter schools, tuition, college credit plus. Costs related to special education are also under this.
- Utilities - cost associated for electricity, water, propane
- Other purchased services - costs associated here include but not limited to legal services, repairs and maintenance, data processing.

3.040 - Supplies & Materials

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



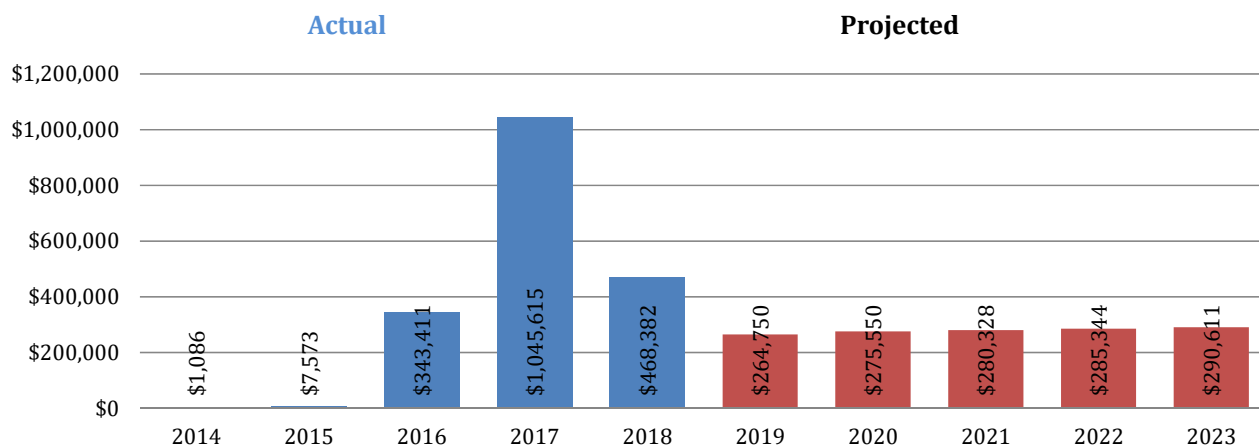
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	466,282	562,335	450,670	577,373	594,110	610,882
YOY \$ Change	21,919	96,053	(111,665)	126,703	16,737	16,772
YOY % Change	4.9%	20.6%	-19.9%	28.1%	2.9%	2.8%
Percentage of Total Budget	3.8%	4.2%	3.2%	3.9%	3.9%	3.8%

Supplies and Materials represent approx. 4% of total expenditures of the District. It is projected that costs associated with supplies and materials to increase approx. 3% each year. Category includes general and instructional supplies, textbooks, and maintenance/transportation supplies.

FY 20 is projecting a decline as the District plans to have an off year and not adopt and purchase new textbooks. However, some textbooks will be bought due to increase enrollment.

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.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	468,382	264,750	275,550	280,328	285,344	290,611
YOY \$ Change	(577,233)	(203,632)	10,800	4,778	5,016	5,267
YOY % Change	-55.2%	-43.5%	4.1%	1.7%	1.8%	1.8%
Percentage of Total Budget	3.8%	2.0%	2.0%	1.9%	1.9%	1.8%

Capital Outlay represents approx. 2% of total expenditures of the District. It is projected that costs associated with capital outlay to increase approx. 2% each year.

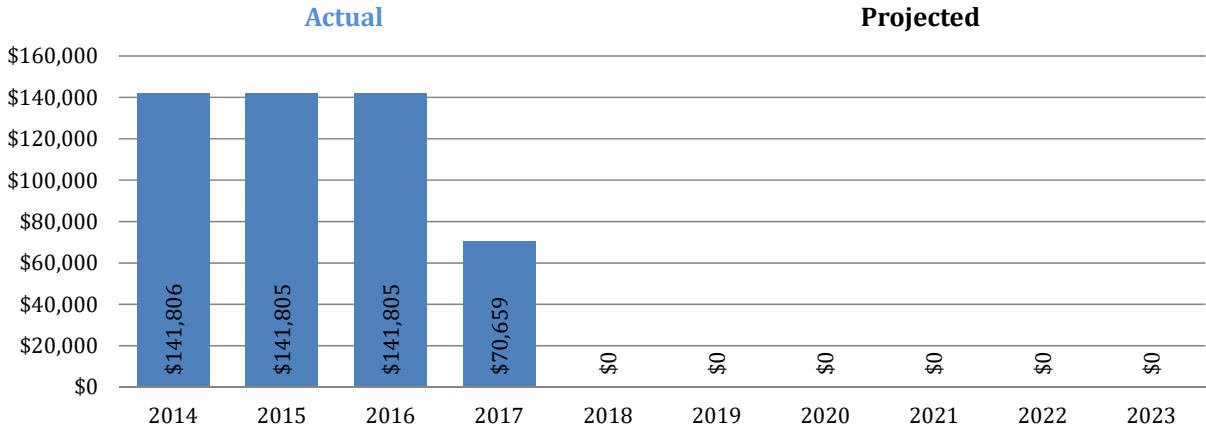
Costs associated here include chromebooks/laptops/equipment/furniture for students, teachers, and staff. It also equipment for maintenance and transportation

The District also has two Permanent Improvement levies that each generate funds that total approx. \$510,000 that is to be used for capital projects and improvements.

Due to rapid growth of student enrollment, the District is nearing full capacity of its facilities. Depending on the direction the District takes, additional costs could be projected in future to accommodate the immediate needs of the District.

3.060-4.060 - Intergovernmental & Debt

These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.

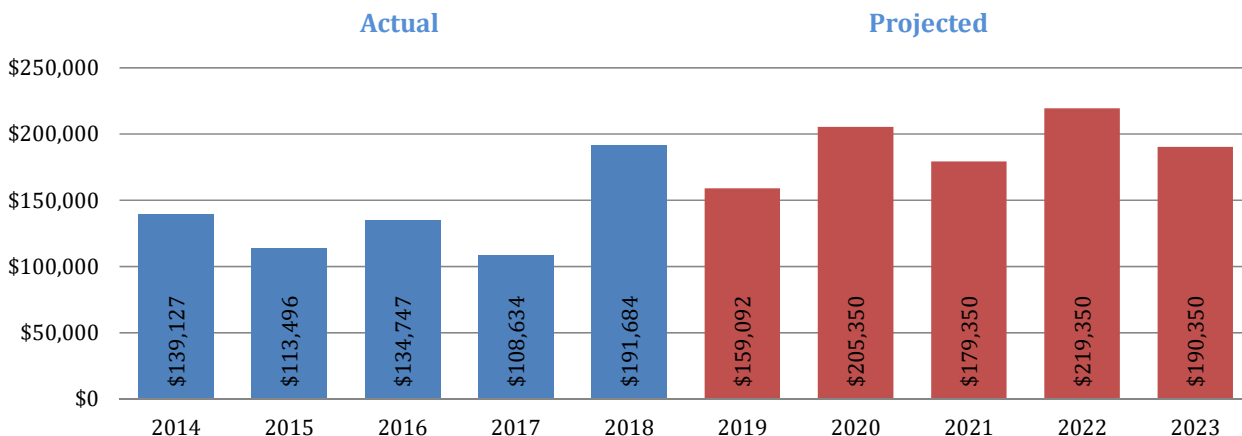


	2018	2019	2020	FORECASTED		
				2021	2022	2023
Total	-	-	-	-	-	-
YOY \$ Change	(70,659)	-	-	-	-	-
YOY % Change	-100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

The district finished paying off HB264 debt in FY 2017.

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.

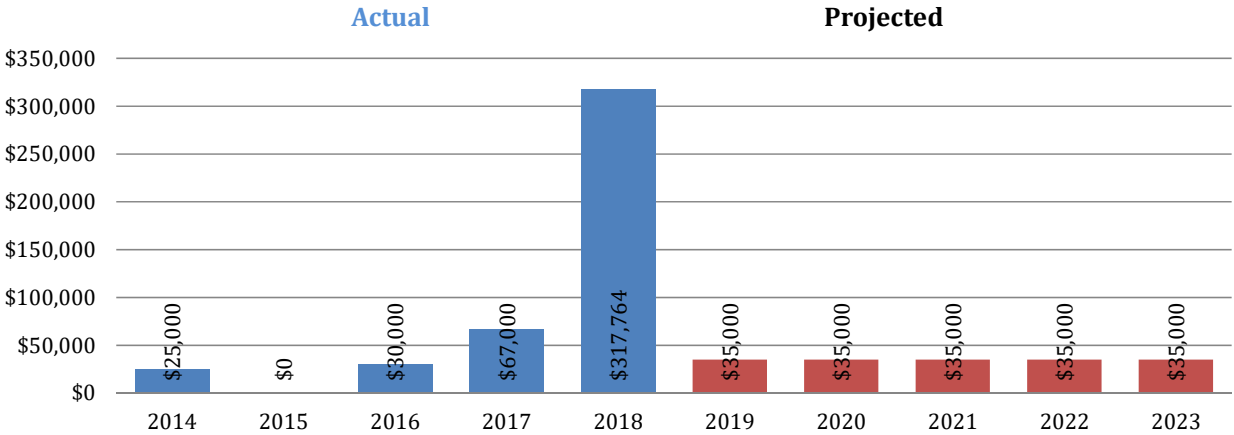


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	191,684	159,092	205,350	179,350	219,350	190,350
YOY \$ Change	83,050	(32,592)	46,258	(26,000)	40,000	(29,000)
YOY % Change	76.4%	-17.0%	29.1%	-12.7%	22.3%	-13.2%
Percentage of Total Budget	1.6%	1.2%	1.5%	1.2%	1.4%	1.2%

The largest expenditure in this line item is for the County Auditor and Treasurer Fees in relation to collection of property taxes. The reason for the fluctuation between years is that the District changed from filing GAAP financial statements to Cash-Basis financial statements. Due to this and the District currently not receiving enough federal funds to be a single audit, the District is under a 2 year audit cycle with Auditor of State.

5.040 - Total Other Financing Uses

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



	2018	FORECASTED				
	2018	2019	2020	2021	2022	2023
Total	317,764	35,000	35,000	35,000	35,000	35,000
YOY \$ Change	250,764	(282,764)	-	-	-	-
YOY % Change	374.3%	-89.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Budget	2.6%	0.3%	0.2%	0.2%	0.2%	0.2%
Transfers Out	260,264	35,000	35,000	35,000	35,000	35,000
Advances Out	57,500	-	-	-	-	-

In prior years, the District transferred money to athletic fund for participation fee receipts that were received. FY 19 and forward those fee receipts are being directly posted into the athletic fund. The District lowered fees associated to class fees and participation fees. In case the school supply fund and athletic fund are not able to maintain a surplus balance based on the fees being charged in relation to the costs to provide those services, the general fund may need to transfer funds to maintain those funds. The amounts above are projections based on current activity of those funds of the amount that may need to be needed.

Bethel Local Schools

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2018	2019	2020	2021	2022	2023
Revenue:						
1.010 - General Property Tax (Real Estate)	3,273,142	3,196,504	3,008,565	2,809,176	2,827,477	2,793,333
1.020 - Public Utility Personal Property	202,502	204,063	205,991	204,429	210,562	200,177
1.030 - Income Tax	1,506,734	1,627,523	1,761,213	1,794,644	611,706	-
1.035 - Unrestricted Grants-in-Aid	4,511,152	4,755,004	4,996,939	5,242,514	5,497,111	5,769,661
1.040 - Restricted Grants-in-Aid	17,551	19,250	23,991	28,970	32,970	33,919
1.050 - Property Tax Allocation	600,245	508,197	475,415	441,934	443,926	440,066
1.060 - All Other Operating Revenues	2,097,569	2,271,437	2,602,781	3,028,629	3,424,606	3,920,612
1.070 - Total Revenue	12,208,895	12,581,978	13,074,895	13,550,296	13,048,358	13,157,768
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	-	57,500	-	-	-	-
2.060 - All Other Financing Sources	41,233	69,600	20,000	20,000	20,000	20,000
2.070 - Total Other Financing Sources	41,233	127,100	20,000	20,000	20,000	20,000
2.080 - Total Rev & Other Sources	12,250,128	12,709,078	13,094,895	13,570,296	13,068,358	13,177,768
Expenditures:						
3.010 - Personnel Services	5,132,759	5,834,672	6,301,274	6,541,406	6,808,164	7,093,602
3.020 - Employee Benefits	1,987,778	2,323,765	2,548,580	2,708,194	2,868,560	3,039,740
3.030 - Purchased Services	3,618,180	4,126,113	4,263,160	4,424,520	4,589,660	4,752,033
3.040 - Supplies and Materials	466,282	562,335	450,670	577,373	594,110	610,882
3.050 - Capital Outlay	468,382	264,750	275,550	280,328	285,344	290,611
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	191,684	159,092	205,350	179,350	219,350	190,350
4.500 - Total Expenditures	11,865,065	13,270,727	14,044,584	14,711,171	15,365,188	15,977,218
Other Financing Uses						
5.010 - Operating Transfers-Out	260,264	35,000	35,000	35,000	35,000	35,000
5.020 - Advances-Out	57,500	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	317,764	35,000	35,000	35,000	35,000	35,000
5.050 - Total Exp and Other Financing Uses	12,182,829	13,305,727	14,079,584	14,746,171	15,400,188	16,012,218
6.010 - Excess of Rev Over/(Under) Exp	67,299	(596,649)	(984,689)	(1,175,875)	(2,331,830)	(2,834,450)
7.010 - Cash Balance July 1 (No Levies)	2,835,232	2,902,531	2,305,882	1,321,193	145,318	(2,186,512)
7.020 - Cash Balance June 30 (No Levies)	2,902,531	2,305,882	1,321,193	145,318	(2,186,512)	(5,020,962)
		Reservations				
8.010 - Estimated Encumbrances June 30	285,561	300,000	300,000	300,000	300,000	300,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	2,616,970	2,005,882	1,021,193	(154,682)	(2,486,512)	(5,320,962)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	269,848	652,210	1,994,529	2,858,603
11.030 - Cumulative Balance of Levies	-	-	269,848	922,058	2,916,587	5,775,190
12.010 - Fund Bal June 30 for Cert of Obligations	2,616,970	2,005,882	1,291,041	767,376	430,075	454,228
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	2,616,970	2,005,882	1,291,041	767,376	430,075	454,228