

Exhibit T-2
As Approved by
Board of Education
05/08/18



Shaker Heights Schools

Five Year Forecast Financial Report

May, 2018

05/02/18

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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.



Five-Year Forecast-Basics

- Required two times per year-
May & Oct.
- Last one approved Oct 2017
- Can amend/submit any time
throughout the year



Five-Year Forecast-Basics

- Basic Format-3 yrs of historical & 5 yrs. of projected data-General Fund
- Reflects actual rev. & exp. thru F17
- And projected rev. & exp. F18 thru F22 based upon final F17 and YTD F18 data



Five-Year Forecast-Basics

- To be used as a planning tool in long-term strategic planning
- Designed to identify issues to be addressed in advance
- But one approach to balancing District's finances



Five-Year Forecast-Basics

- Does not reflect the exact layout of future events, as other events will occur that will impact this forecast:
 - State Budget Bills
 - Continued recovery of Ohio economy
 - Continued recovery of real estate markets
 - Other market forces



Five-Year Forecast-Basics

- Only thing for sure, is that most of these numbers will be different!

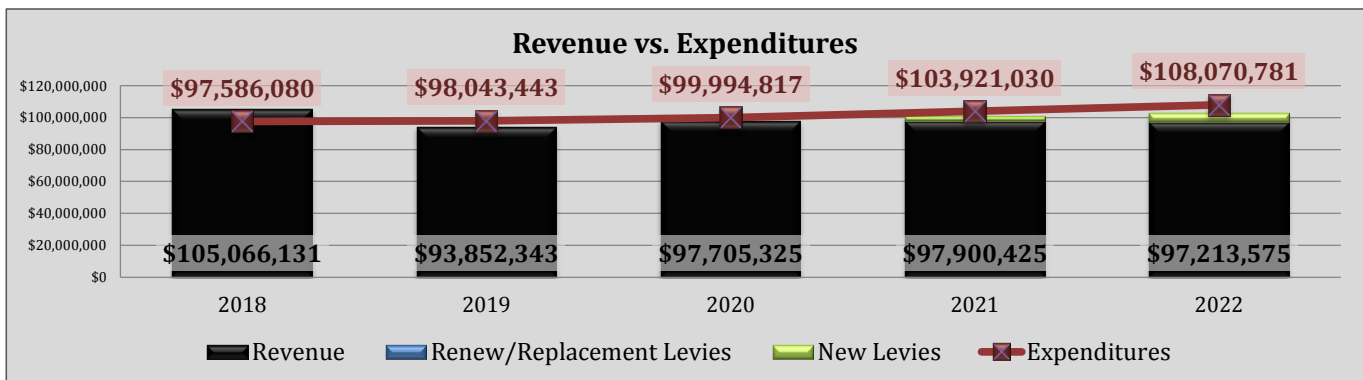
Five Year Forecast - Simplified Statement

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Beginning Balance	47,769,964	55,250,015	51,058,915	48,769,423	45,618,243
+ Revenue	105,066,131	93,852,343	97,705,325	97,900,425	97,213,575
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	2,869,425	5,738,850
- Expenditures	(97,586,080)	(98,043,443)	(99,994,817)	(103,921,030)	(108,070,781)
= Revenue Surplus or Deficit	7,480,051	(4,191,100)	(2,289,492)	(3,151,180)	(5,118,356)
Ending Balance	55,250,015	51,058,915	48,769,423	45,618,243	40,499,887
Revenue Surplus or Deficit w/o Levies	7,480,051	(4,191,100)	(2,289,492)	(6,020,605)	(10,857,206)
Ending Balance w/o Levies	55,250,015	51,058,915	48,769,423	42,748,818	31,891,612

Summary:

Excluding the timing impact of the accordion effect of the accelerated real estate tax receipts in Fiscal 2018, the District continues to generate an operating excess of revenues over expenditures (operating surplus) through Fiscal 2019, one year beyond where we were in the Spring of 2017, after which expenditures begin to exceed revenues.

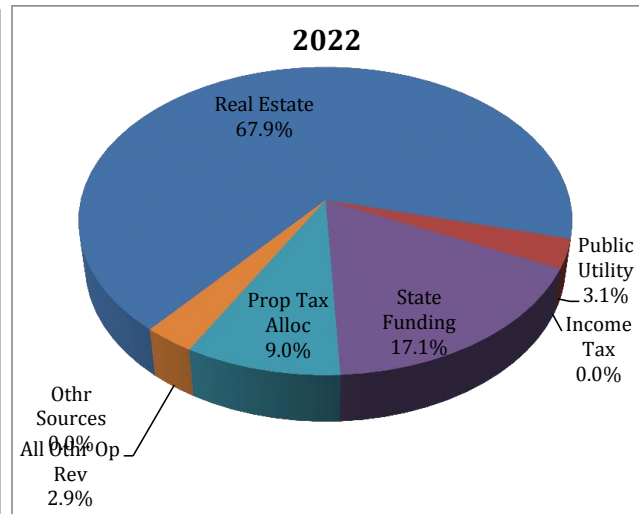
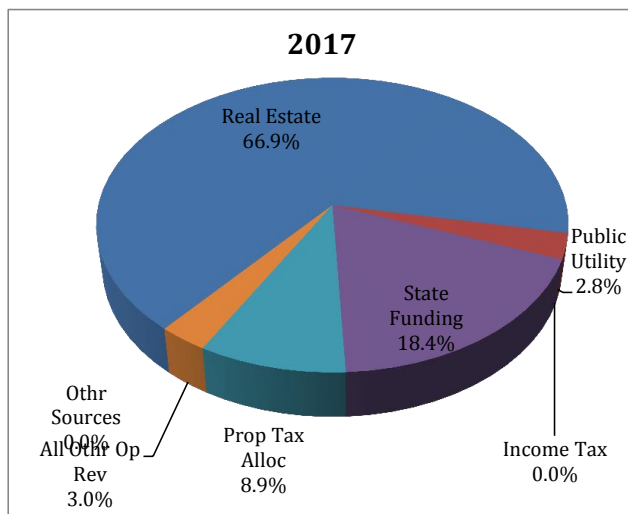
This forecast reflects the financial impact of Option #3 of the District's proposed Reduction in Force to address the historical and projected declining enrollment. Option #3 incorporates a reduction of 6 positions effective in Fiscal 2019 and an additional reduction of 19 positions effective in Fiscal 2020. While fund balance continues to decline under this forecast, the fund balance has improved from the October 2017 forecast with an increase to 24.5% (up from 17.6% in October 2017) (32.5% up from 25.4% with projected new levy proceeds) of total expenditures by the end of Fiscal 2022. Likewise, the peak fund balance at the end of Fiscal 2018 improved from 47.4% to 51.1%. We continue to project that at least a 6.9 mill levy would need to be submitted for approval in 2020 (six years since the last operating levy approved in 2014) for collections starting in calendar 2021, in order to stave off falling into a deficit position in future years not shown on this forecast.



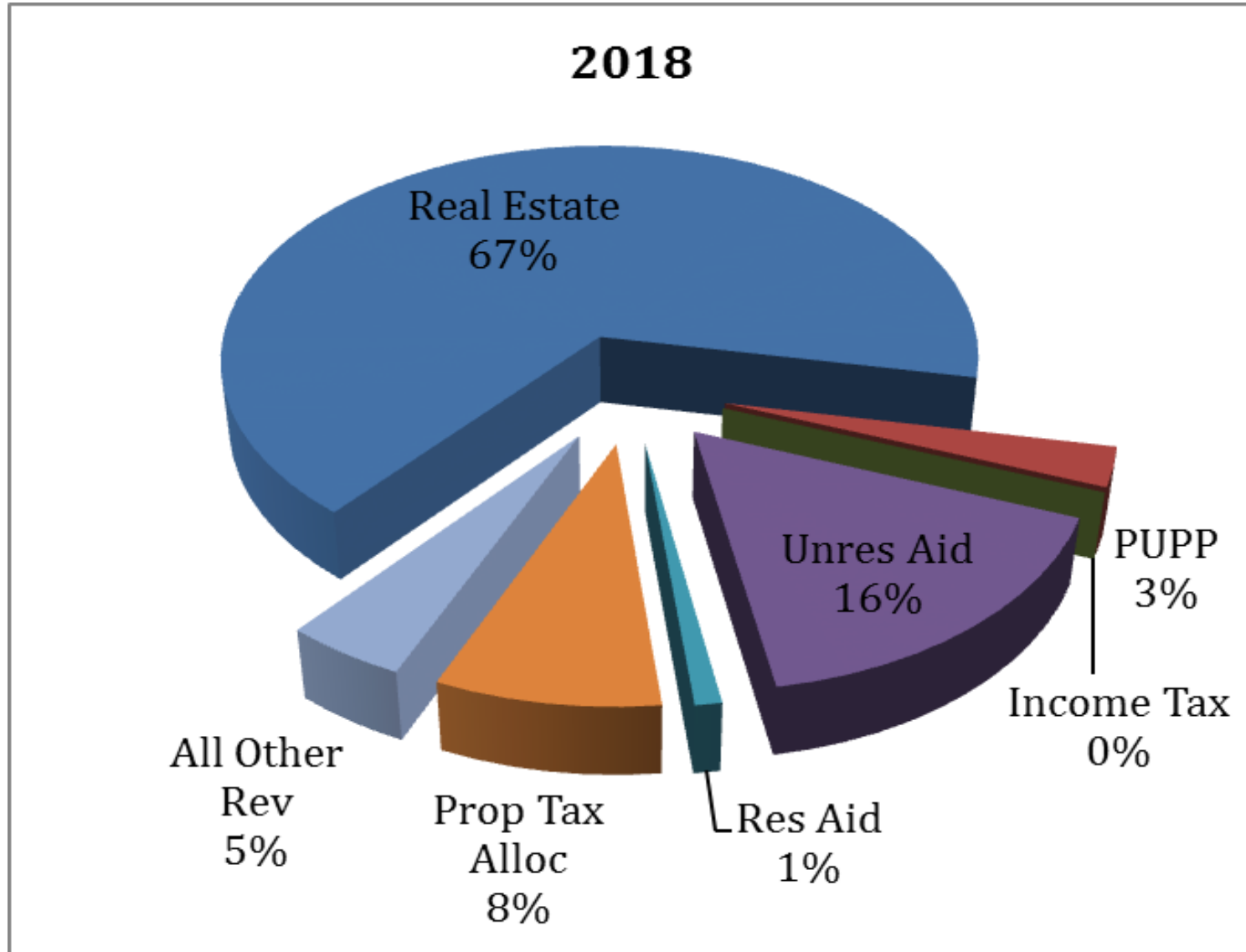
Revenue Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	
		2018	2019	2020	2021	2022	
Revenue:							
1.010-Real Estate	1.51%	6.46%	-13.52%	8.00%	0.32%	0.13%	0.28%
1.020-Public Utility	9.60%	6.99%	0.00%	0.00%	0.00%	0.00%	1.40%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	6.09%	0.88%	0.00%	-5.00%	0.00%	-5.00%	-1.82%
1.040-Restricted Aid	117.86%	0.84%	0.95%	0.85%	0.84%	0.83%	0.86%
1.045-Restr Federal SFSF	-94.64%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-0.57%	-0.58%	0.00%	0.00%	0.00%	0.00%	-0.12%
1.060-All Other Operating	10.75%	60.11%	-36.37%	-5.32%	-0.81%	1.35%	3.79%
1.070-Total Revenue	2.19%	6.43%	-10.67%	4.11%	0.20%	-0.70%	-0.13%
2.070-Total Other Sources	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2.080-Total Rev & Other Srcs	2.19%	6.43%	-10.67%	4.11%	0.20%	-0.70%	-0.13%

Most revenues are expected to be relatively flat during the forecast period. The substantial real estate tax increase in Fiscal 2018, decrease in Fiscal 2019, and increase in Fiscal 2020 is attributable to the accordion effect of the receipt of tax payer accelerated payments in December 2017 made so as to take advantage of the federal income tax law change that went into effect January 1, 2018. The decrease in State Foundation funding in Fiscal 2020 and Fiscal 2022 reflects an anticipated maximum 5% reduction in the "guaranteed" funding assumed to occur due to the expected continuing declining enrollment at the onset of the succeeding State biennial budgets. The substantial increase in Fiscal 2018 and subsequent decrease in Fiscal 2019 in All Other Operating Revenues is due to the \$1.7 million receipt in December 2017 from the bond issue proceeds that reimbursed the General Fund for its expenditures for the Middle School roof project during the summer of 2017.

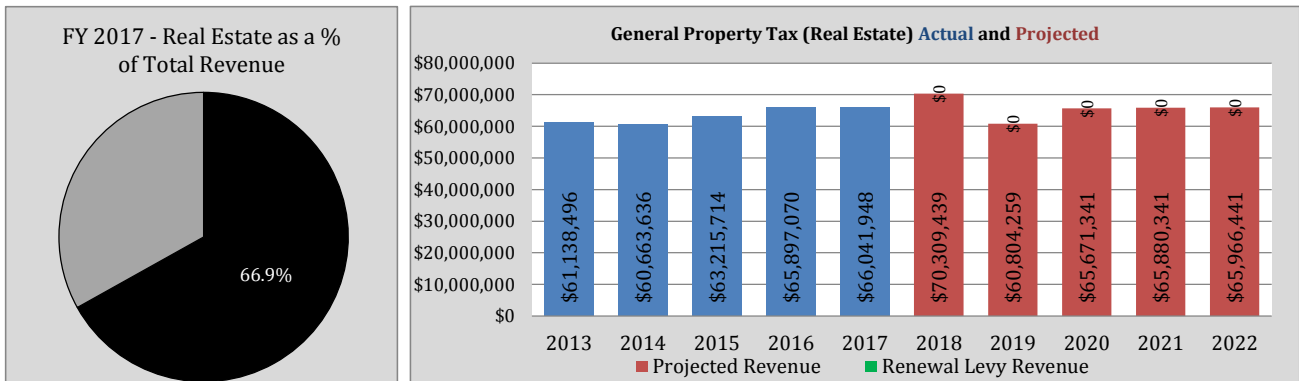


Projected Revenues-F2018



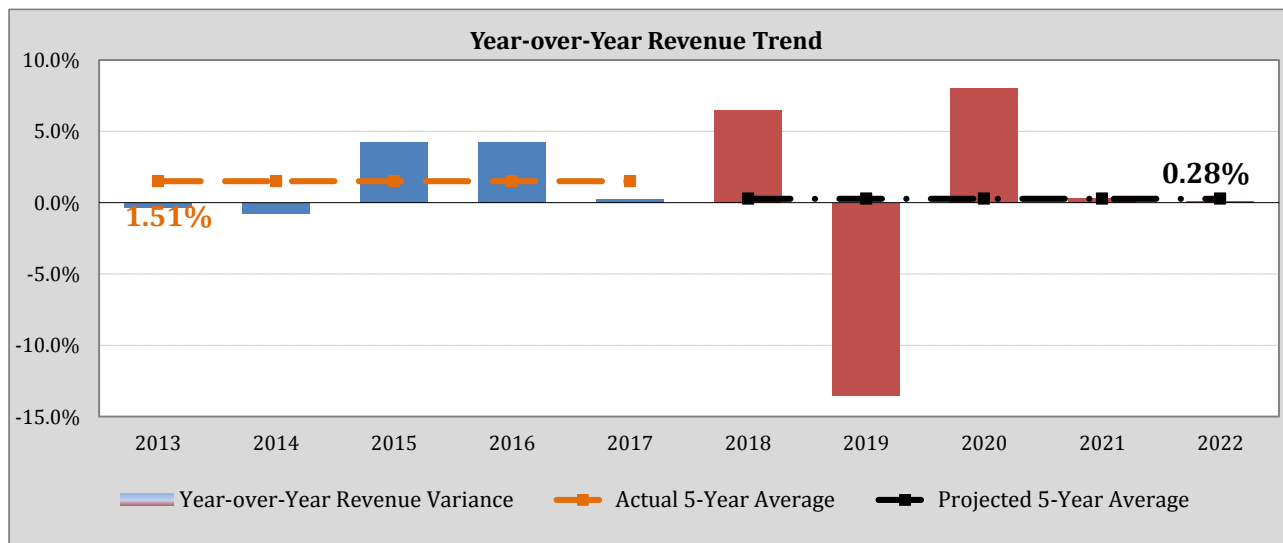
1.010 - General Property Tax (Real Estate)

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).



Collections of the 2014 approved operating levy began in calendar 2015 thus providing a half year of the new revenue in Fiscal 2015 and a whole year in Fiscal 2016 and thereafter. The substantial real estate tax increase in Fiscal 2018, decrease in Fiscal 2019, and increase in Fiscal 2020 is attributable to the accordion effect of the receipt of tax payer accelerated payments in December 2017 made so as to take advantage of the federal income tax law change that went into effect January 1, 2018.

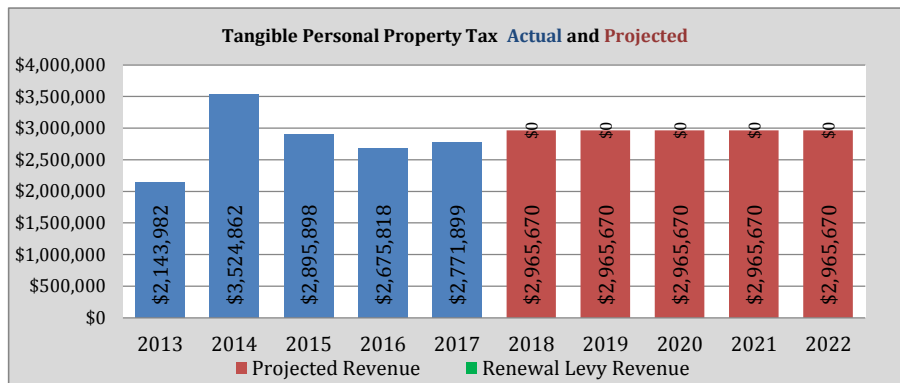
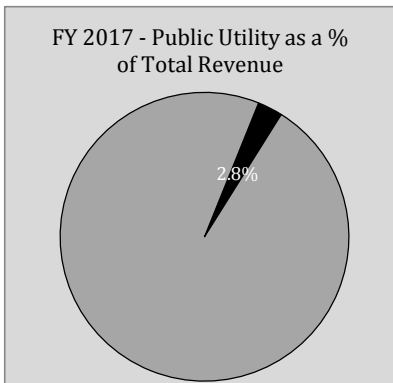
Key Assumption: No decline in property tax assessed valuation during the forecast period, and that collection rates remain consistent with recent years.



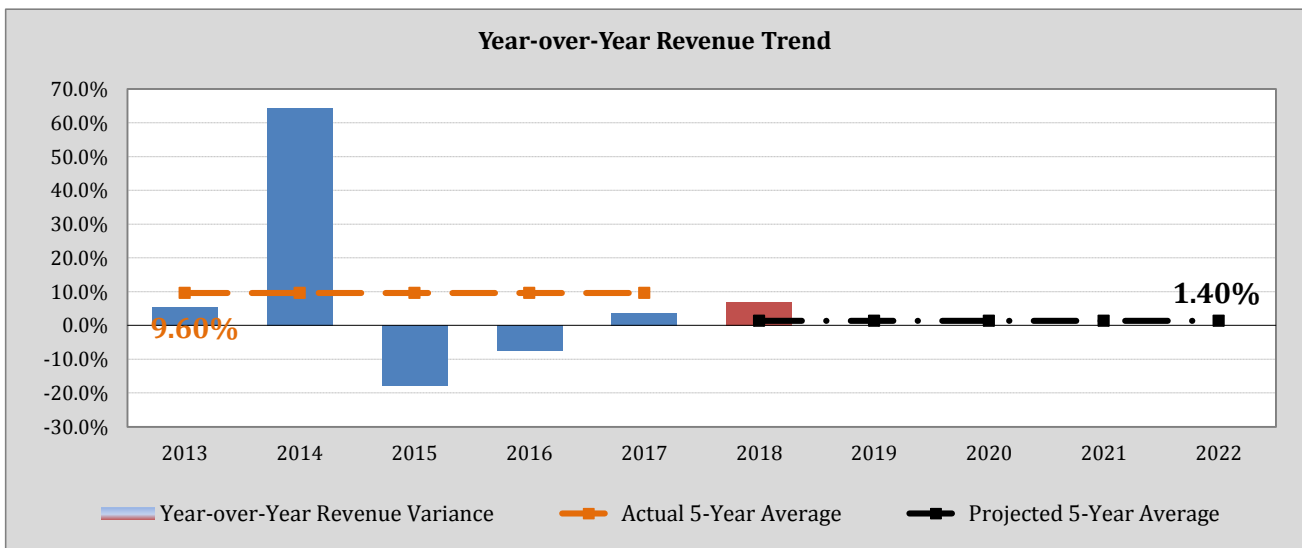
*Projected % trends include renewal levies

1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



This line reflects the breakout of the Public Utility Tangible payments previously included with the real estate tax revenues. Note Fiscal 2014 & 2015 included the \$1.2 million and \$181,460, respectively of non-recurring delinquent tangible personal property settlement payments.



*Projected % trends include renewal levies



Key Revenue Assumption State Support

- 3 Basic Funding Methods for State Foundation
 - Gain Cap
 - Formula
 - Guarantee



Key Revenue Assumption

State Support

- Gain Cap
 - District receives less than formula calculation
 - Increase in funding from prior year is limited by State to no more than 3.0% (was 7.5%) over last year—simply a budget balancing method utilized by the State
 - Shaker had been on for several years
 - Shaker amount not received under gain cap in F16 approximated \$1 million; F17 \$0



Key Revenue Assumption State Support

- **Formula**

- District receives amount as calculated by the formula
- Shaker transitioned from Gain Cap to Formula method in F17 due to fact it was approaching the calculation combined with declining enrollment



Key Revenue Assumption

State Support

- **Guarantee**

- District receives more than formula calculation
- Guarantee for Shaker in the new biennium is based upon 100% of F17 base funding amount since we had < 5% decline in enrollment F14 to F16
- Shaker has transitioned to the Guarantee funding method in F18, due to low State increase in per pupil amount combined with declining enrollment



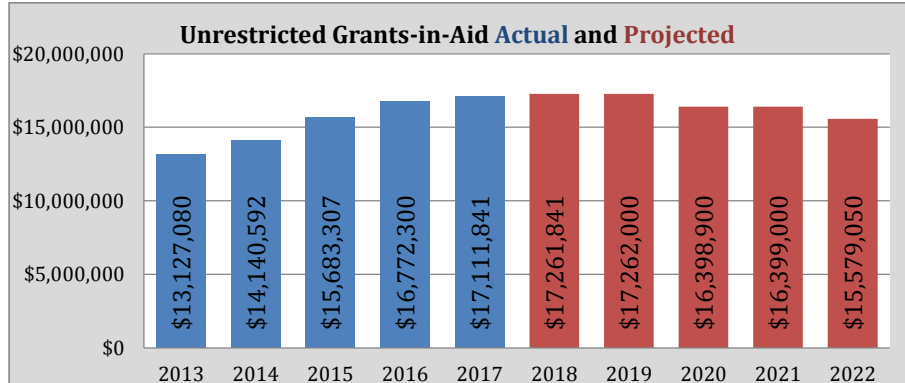
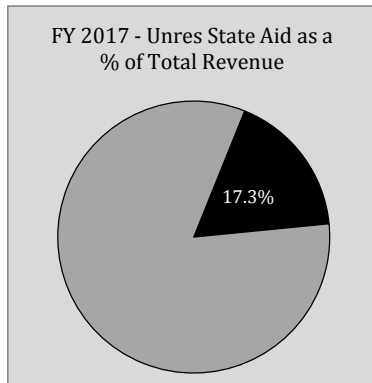
Key Revenue Assumption

State Support

- F18 & F19 projected to be same as F17 due to Guarantee (expected \$50,000 increase in preschool funding since outside of guarantee calculation + reduced charter school), **but**
- Assume a continuation of declining Guarantee for declining enrollment and thus
- Projecting a 5% reduction in F20/F21 and again in F22/F23

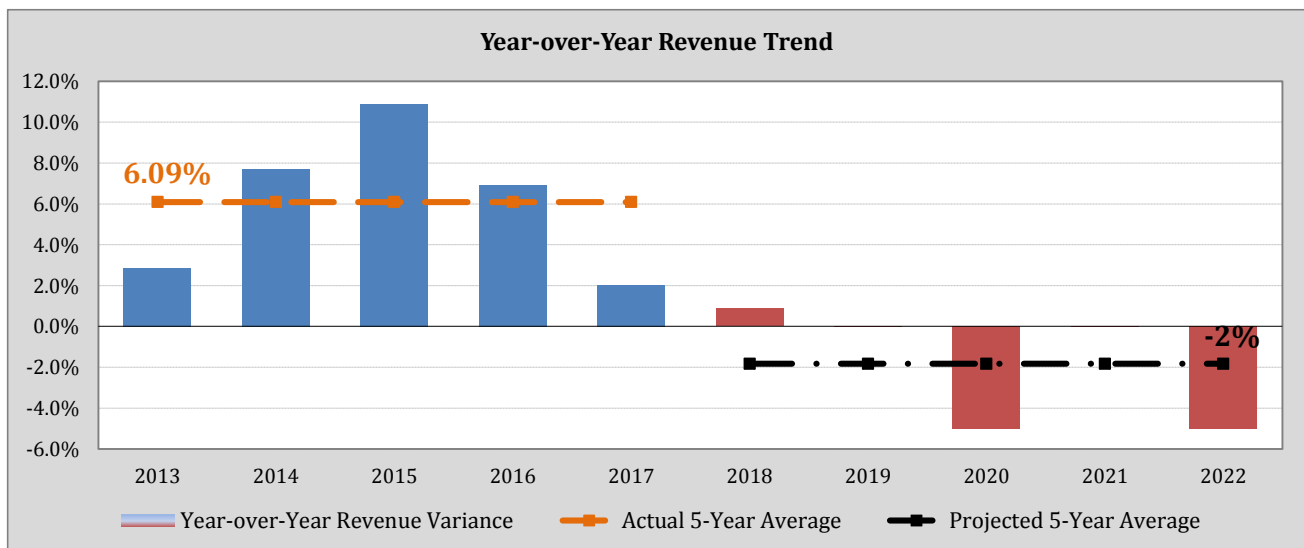
1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



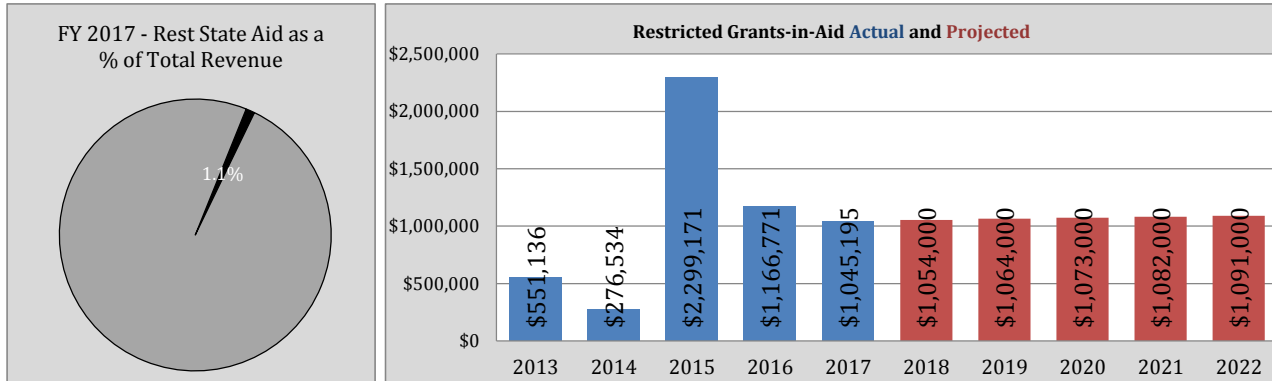
Increase in State Foundation funding due to the last State biennial budget bill, House Bill No. 64, of \$1.1 million in Fiscal 2016 and another \$0.3 million in Fiscal 2017. Note-Fiscal 2017 revenues reflected a \$388,000 reduction from original budget due to the interaction of the reduced enrollment last fiscal year coupled with the District having reached the "gain cap" limit of calculated funding.

Key Assumption: The District has shifted from "formula" funding in Fiscal 2017 to "guarantee" funding for Fiscal years 2018 and beyond. Based upon the provision in the new 2018-2019 biennial budget, the forecast contemplates a 5% reduction in the "guarantee" amount resulting in a 5% reduction in funding in Fiscal 2020 and again in Fiscal 2022.

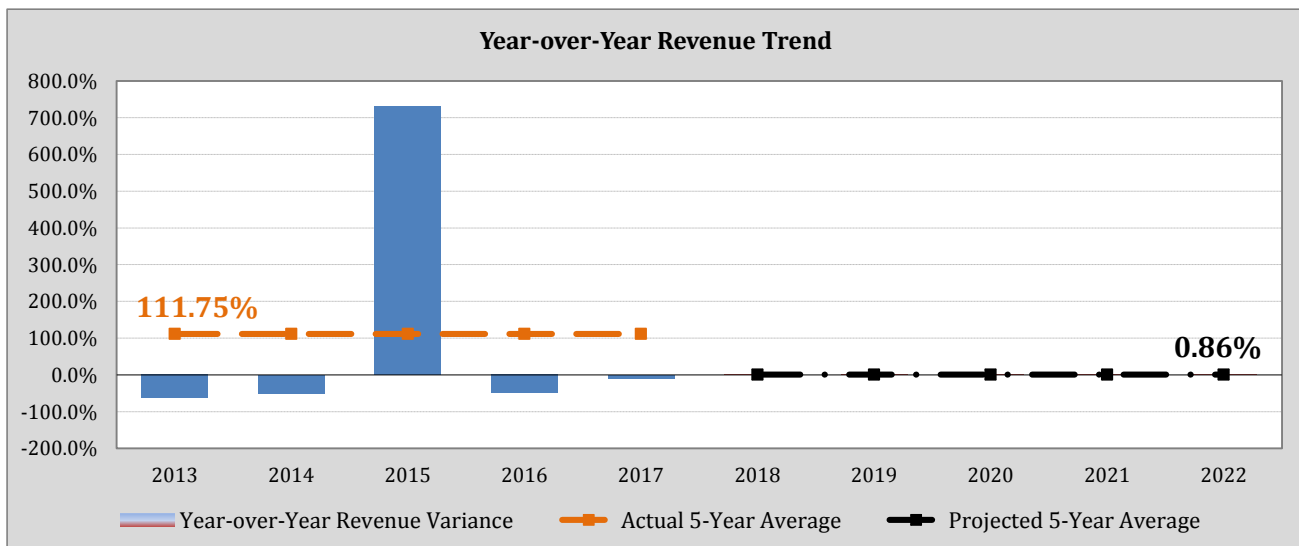


1.040 & 1.045 - Restricted Grants-in-Aid

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

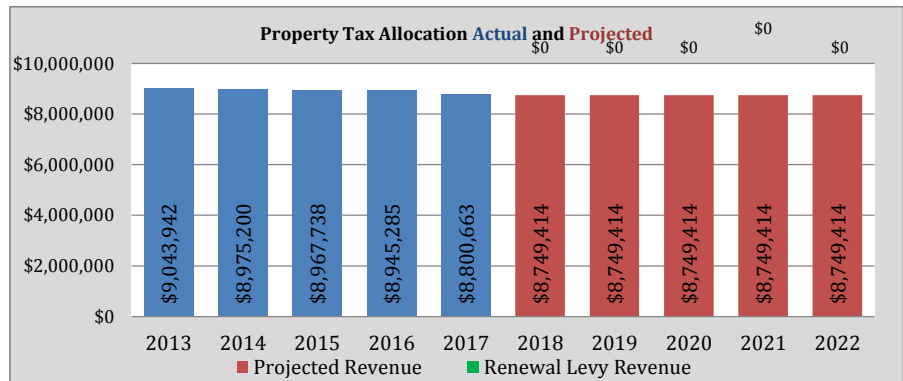
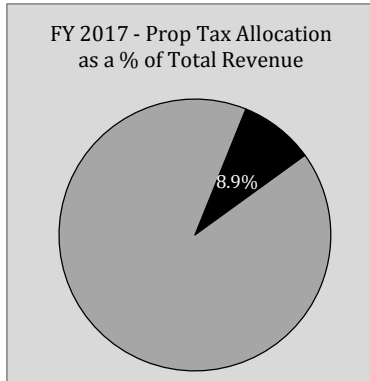


Fiscal 2014 and 2015 amounts impacted by delay and double payment cycle for catastrophic aid reimbursements, but returned to normal schedule in Fiscal 2016 and are projected to be consistent during the rest of the projection years.

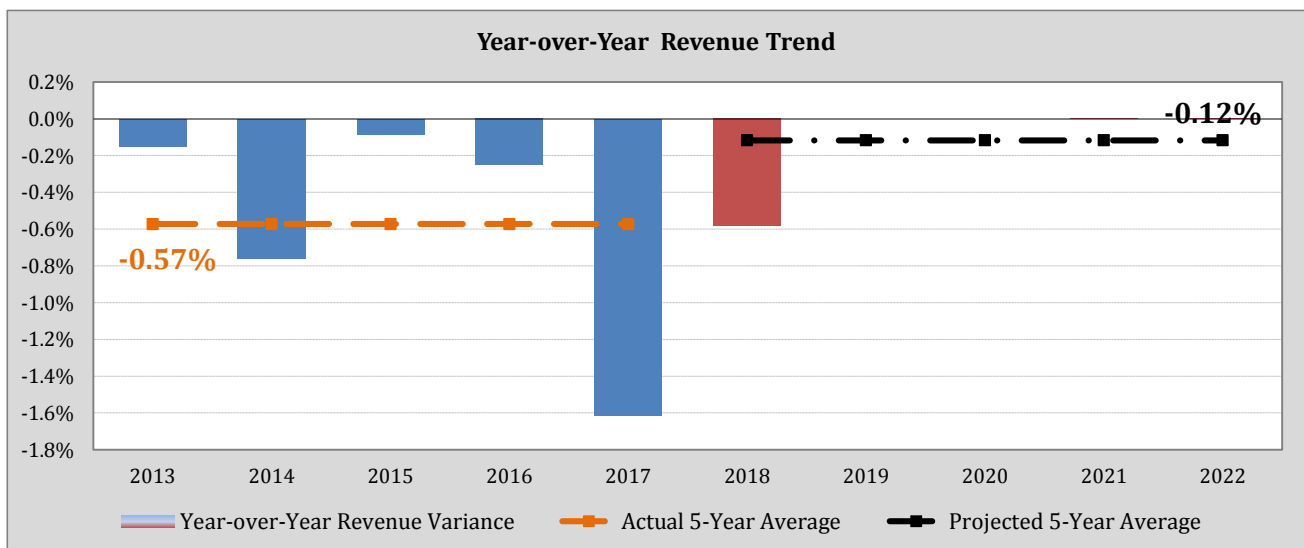


1.050 - Property Tax Allocation

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



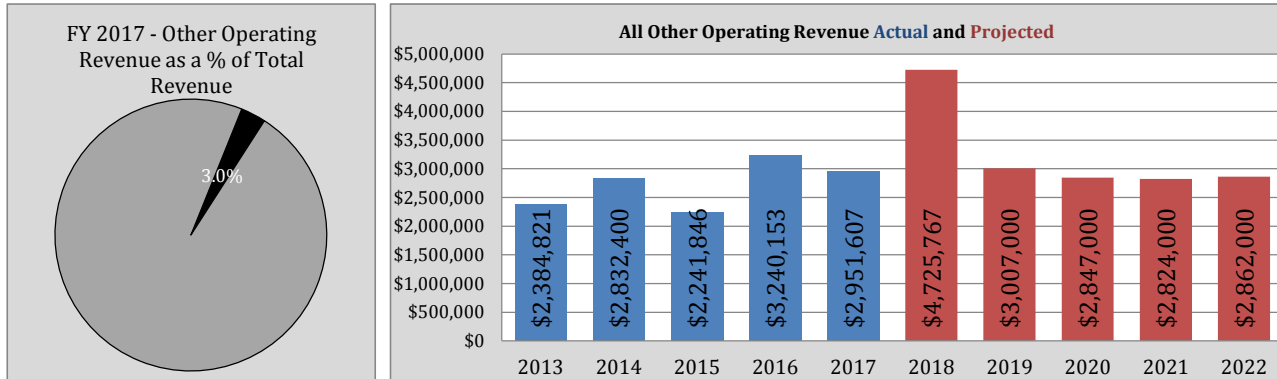
Due to State change in the previous State budget bill, there is no increase in Homestead Exemption RollBack (HERB) payments from the State for levies after 2013, thus no change projected in this item going forward. A slight reduction in Fiscal 2017 is reflected in the remaining projection years.



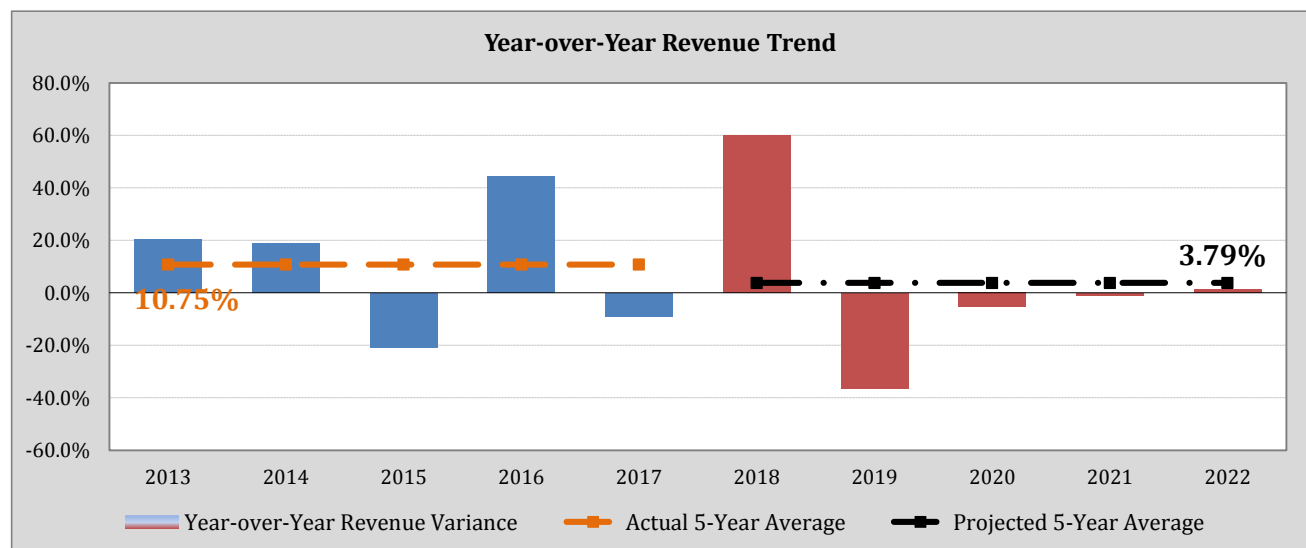
*Projected % trends include renewal levies

1.060 - All Other Operating Revenues

Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.

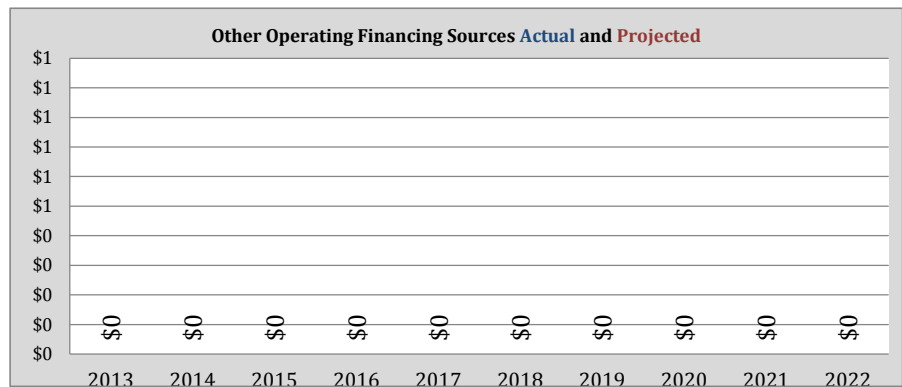
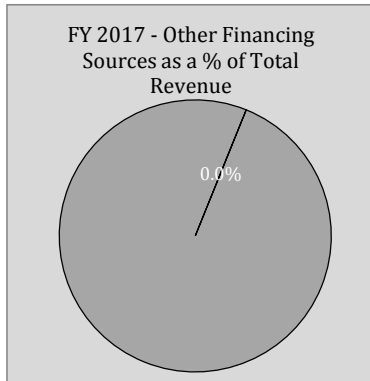


Fiscal 2014 included \$0.7 million of Medicaid reimbursement settlement payments for Fiscal 2010 & 2011. Fiscal 2015 included no final settlement payments, while Fiscal 2016 included the four-year interim period (2005-2009) settlement amounting to \$437,000; \$318,000 for the Fiscal 2012 Medicaid settlement payment; and the early receipt of the Fiscal 2013 Medicaid settlement in June. Year-to-year fluctuations during the forecast period are attributable to various periodic and/or non-recurring payments. The substantial increase in Fiscal 2018 and subsequent decrease in Fiscal 2019 is due to the \$1.7 million receipt in December 2017 from the bond issue proceeds that reimbursed the General Fund for its expenditures for the Middle School roof project during the summer of 2017.

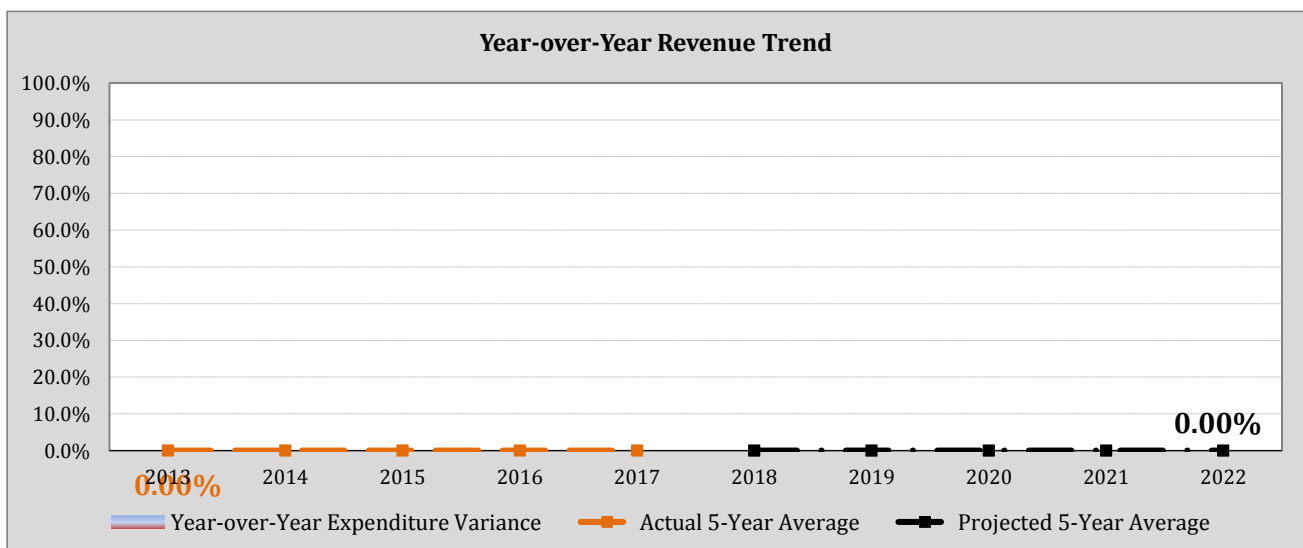


2.070 - Total Other Financing Sources

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.



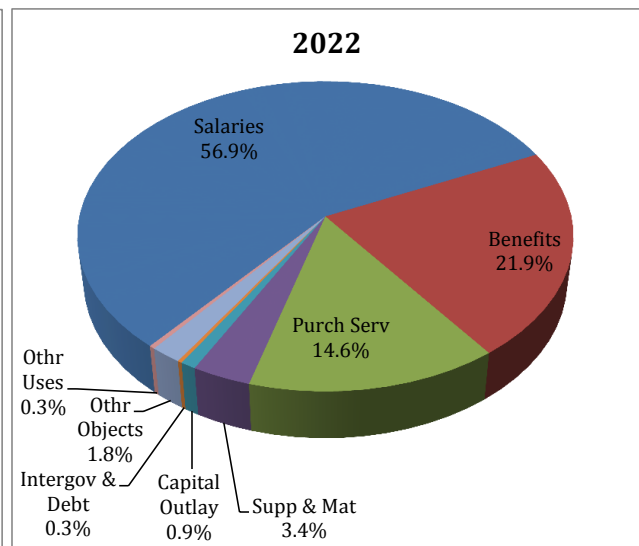
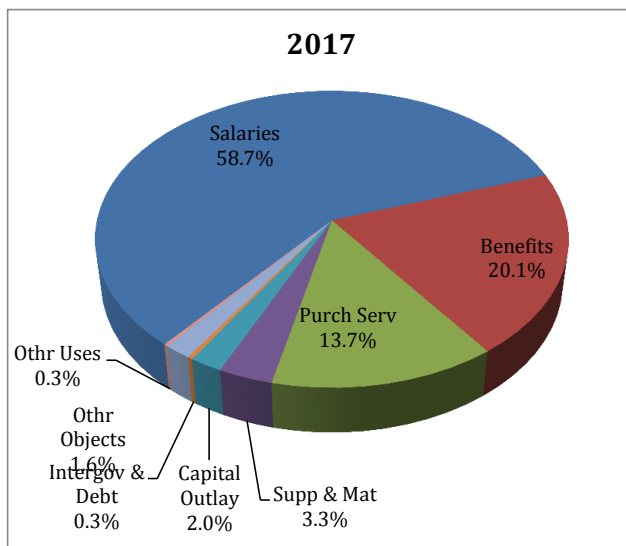
N/A for the District at this time.



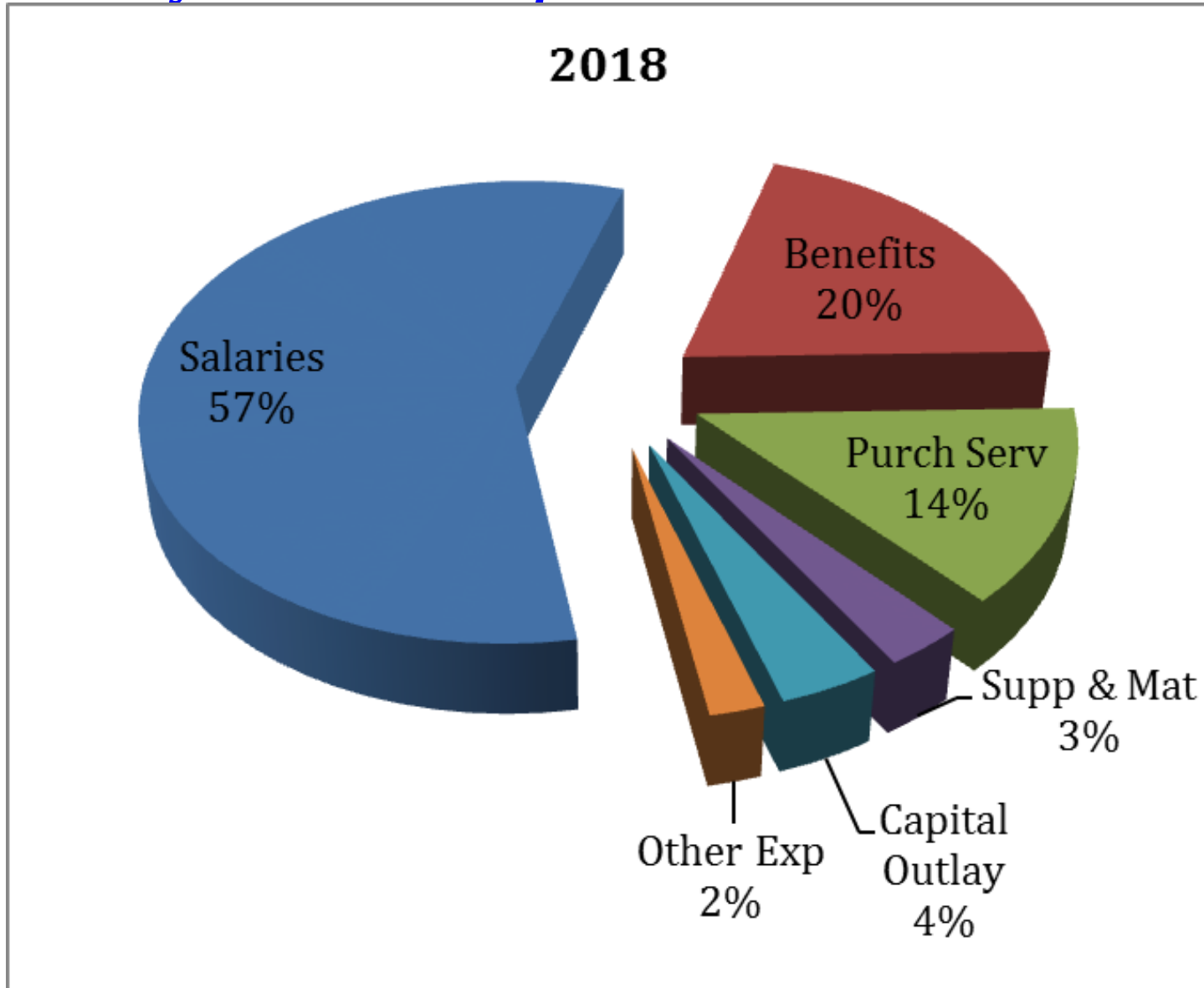
Expenditures Overview

	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	
Expenditures:							
3.010-Salaries	1.50%	3.53%	2.44%	0.90%	3.07%	3.08%	2.60%
3.020-Benefits	-0.43%	4.43%	3.76%	3.72%	6.44%	6.58%	4.99%
3.030-Purchased Services	0.93%	4.01%	7.61%	3.48%	4.18%	2.89%	4.43%
3.040-Supplies & Materials	2.96%	-1.45%	11.51%	1.56%	1.56%	7.34%	4.10%
3.050-Capital Outlay	16.91%	106.17%	-77.80%	5.00%	4.99%	4.97%	8.67%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	n/a	-1.63%	1.99%	0.09%	-1.73%	1.87%	0.12%
4.300-Other Objects	1.24%	17.78%	-3.75%	4.42%	4.40%	4.38%	5.45%
4.500-Total Expenditures	1.21%	5.88%	0.44%	1.97%	3.91%	3.98%	3.24%
5.040-Total Other Uses	193.32%	8.16%	9.43%	8.62%	7.94%	7.35%	8.30%
5.050-Total Exp & Other Uses	1.18%	5.89%	0.47%	1.99%	3.93%	3.99%	3.25%

Expenditures reflect the salary & wage growth in accordance with the collective bargaining agreement settlements, replacement savings from retirees and other terminations, expected increases in related fringe benefits and other District operating expenditures. Previously reflected in line 3.06 were unidentified new continuing budget savings of \$1.0 million in Fiscal Years 2018 and 2019, which have been identified and **reflected** in respective expense line items given the \$2.5 million favorable budget variance for the fiscal year ended June 30, 2017. This forecast reflects the financial impact of Option #3 of the District's proposed Reduction in Force to address the historical and projected declining enrollment. Option #3 incorporates a reduction of 6 positions effective in Fiscal 2019 and an additional reduction of 19 positions effective in Fiscal 2020.



Projected Expenditures-F2018





Key Expense Assumption Reduction in Force (RIF)

- RIF

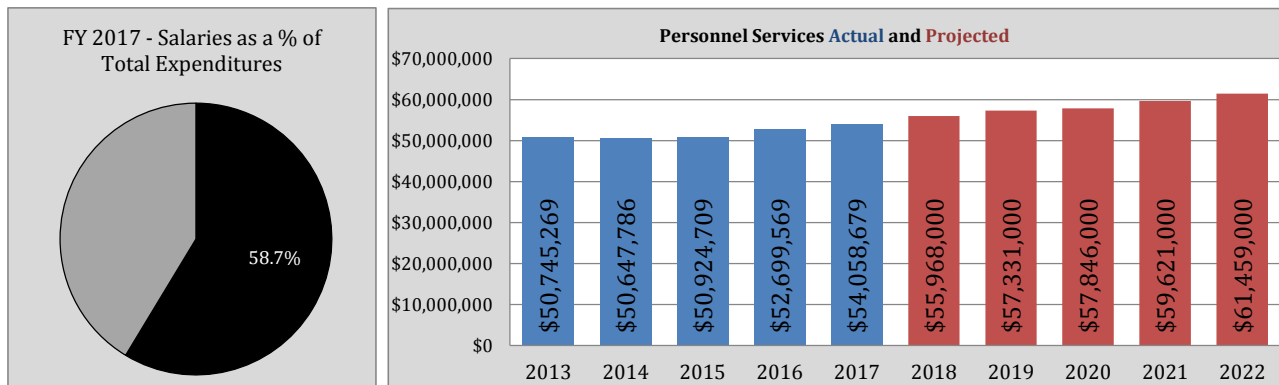
- This forecast reflects the financial impact of Option #3 of the District's proposed Reduction in Force to address the historical and projected declining enrollment. Option #3 incorporates a reduction of 6 positions effective in Fiscal 2019 and an additional reduction of 19 positions effective in Fiscal 2020.

Shaker Heights CSD
RIF Options
April 2018

	A	B	C	D	Z	AA	AB	AC	AD	AE	AF	AG	AH
1135					Forecast Scenario - Reduction of Positions-Opt.#3								
1136					Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
1137					2018	2019	2020	2021	2022	2023	2024	2025	2026
1138													
1139				Base Projected Revenues	\$98,583,186	\$98,775,510	\$97,770,910	\$98,008,510	\$97,244,710	\$97,305,510	\$96,575,360	\$96,805,510	\$95,947,960
1140													
1141				Proposed Operating Levy Revenue:				Calendar			Calendar		
1142				Levy in Calendar Year				2020			2023		
1143				Levy Millage				6.9			6.9		
1144				1st Proposed Levy Est. Rev.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1145				2nd Proposed Levy Est. Rev.	\$0	\$0	\$0	\$2,886,000	\$5,772,000	\$5,772,000	\$5,772,000	\$5,772,000	\$5,772,000
1146				3rd Proposed Levy Est. Rev.	\$0	\$0	\$0	\$0	\$0	\$0	\$2,990,325	\$5,980,650	\$5,980,650
1147				4th Proposed Levy Est. Rev.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1148													
1149				Total Revenues with proposed levies	\$98,583,186	\$98,775,510	\$97,770,910	\$100,894,510	\$103,016,710	\$103,077,510	\$105,337,685	\$108,558,160	\$107,700,610
1150				Growth Rate-Revenues	-0.1%	0.2%	-1.0%	3.2%	2.1%	0.1%	2.2%	3.1%	-0.8%
1151													
1152	\$ Savings	#	Fringes	Total Expend. b/4 unidentified reductions	95,487,277	98,556,075	102,258,325	106,273,450	110,540,376	114,722,144	119,355,762	124,141,210	129,493,256
1159													
1160	\$60,000	6	16.45%	Est.Svgs-RIF-Sal.& FB's w/o Hlth Ins.-Tchrs		(419,220)	(435,989)	(453,429)	(471,566)	(490,429)	(510,046)	(530,448)	(551,666)
1161	\$12,772	6		Est.Svgs-RIF-Hlth Ins.(Avg.of S&F)-Tchrs		(76,632)	(83,529)	(91,882)	(101,070)	(111,177)	(122,295)	(134,525)	(147,978)
1162	\$60,000	14	16.45%	Est.Svgs-RIF-Sal.& FB's w/o Hlth Ins.-Tchrs			(978,180)	(1,017,307)	(1,057,999)	(1,100,319)	(1,144,332)	(1,190,105)	(1,237,709)
1163	\$12,772	14		Est.Svgs-RIF-Hlth Ins.(Avg.of S&F)-Tchrs			(178,808)	(196,689)	(216,358)	(237,994)	(261,793)	(287,972)	(316,769)
1164	\$115,000	3	24.45%	Est.Svgs-RIF-Sal.& FB's w/o HlthIns-Admin			(429,353)	(446,527)	(464,388)	(482,964)	(502,283)	(522,374)	(543,269)
1165	\$12,772	3		Est.Svgs-RIF-Hlth Ins.(Avg.of S&F)-Admin			(38,316)	(42,148)	(46,363)	(50,999)	(56,099)	(61,709)	(67,880)
1166	\$33,500	2	16.45%	Est.Svgs-RIF-Sal.& FB's w/o HlthIns-OAPSE			(78,022)	(81,143)	(84,389)	(87,765)	(91,276)	(94,927)	(98,724)
1167	\$12,772	2		Est.Svgs-RIF-Hlth Ins.(Avg.of S&F)-OAPSE			(25,544)	(28,098)	(30,908)	(33,999)	(37,399)	(41,139)	(45,253)
1168													
1169				Sum of Potential Savings-RIF's	0	(495,852)	(2,247,741)	(2,357,223)	(2,473,041)	(2,595,646)	(2,725,523)	(2,863,199)	(3,009,248)
1170				Unidentified Budget Reductions	0	0	0	0	0	0	0	0	0
1171				Total Expenditures, net of reductions	95,487,277	98,060,223	100,010,584	103,916,227	108,067,335	112,126,498	116,630,239	121,278,011	126,484,008
1172				Growth Rate-Expenditures, net of reductions	3.6%	2.7%	2.0%	3.9%	4.0%	3.8%	4.0%	4.0%	4.3%
1173													
1174				Excess of Rev.Over/(Under) Expend.	3,095,909	715,287	(2,239,674)	(3,021,717)	(5,050,625)	(9,048,988)	(11,292,554)	(12,719,851)	(18,783,398)
1175													
1176				Beginning Cash Balance	47,769,964	50,865,873	51,581,160	49,341,486	46,319,769	41,269,144	32,220,156	20,927,602	8,207,751
1177				Ending Cash Balance	50,865,873	51,581,160	49,341,486	46,319,769	41,269,144	32,220,156	20,927,602	8,207,751	(10,575,647)
1178													
1179				Less Outstanding Encumbrances	5,254,840	5,254,840	5,254,840	5,254,840	5,254,840	5,254,840	5,254,840	5,254,840	5,254,840
1180				Less Budget Reserve	353,070	353,070	353,070	353,070	353,070	353,070	353,070	353,070	353,070
1181				Unencumbered Fund Balance	45,257,963	45,973,250	43,733,576	40,711,859	35,661,234	26,612,246	15,319,692	2,599,841	(16,183,557)
1182													
1183				Fund Balance as % of Expenditures	47.4%	46.9%	43.7%	39.2%	33.0%	23.7%	13.1%	2.1%	-12.8%

3.010 - Personnel Services

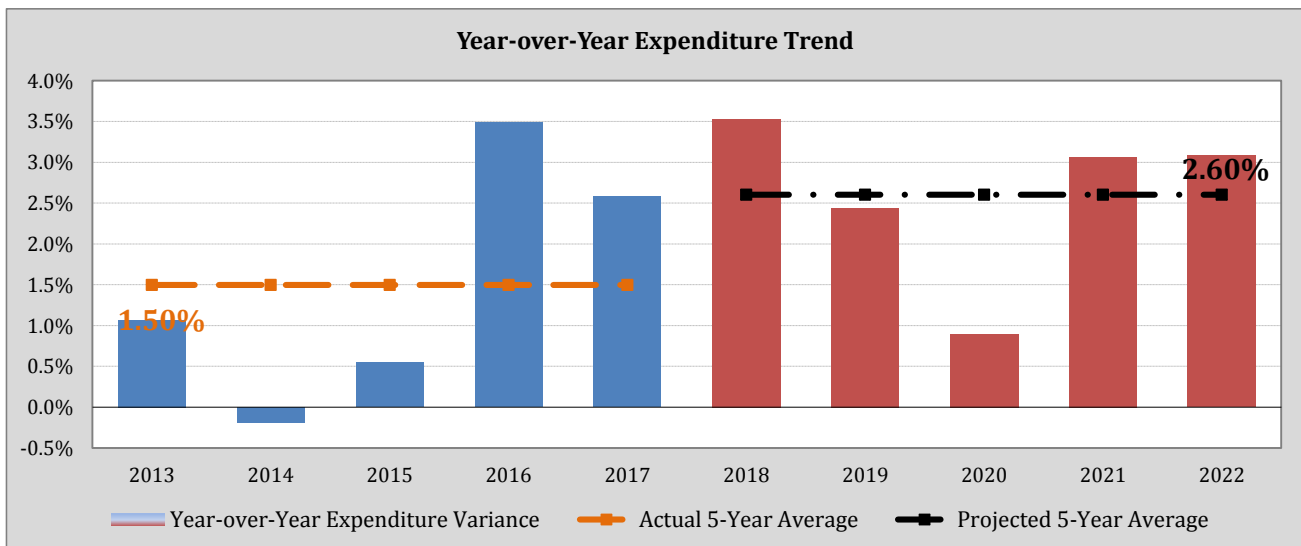
Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc.



Reflects economic provisions of current collective bargaining agreements, including SHTA, SHTA-Support Teachers, OAPSE-Clerical, OAPSE-Security, Local 200-Custodial & Bus Drivers, and OAPSE-Aides three-year contracts (SHTA recently renewed thru 12/31/20, rest thru 6/30/18 and are currently in negotiations). Also reflects replacement savings from retirements and other terminations, as well as added positions during the historical period.

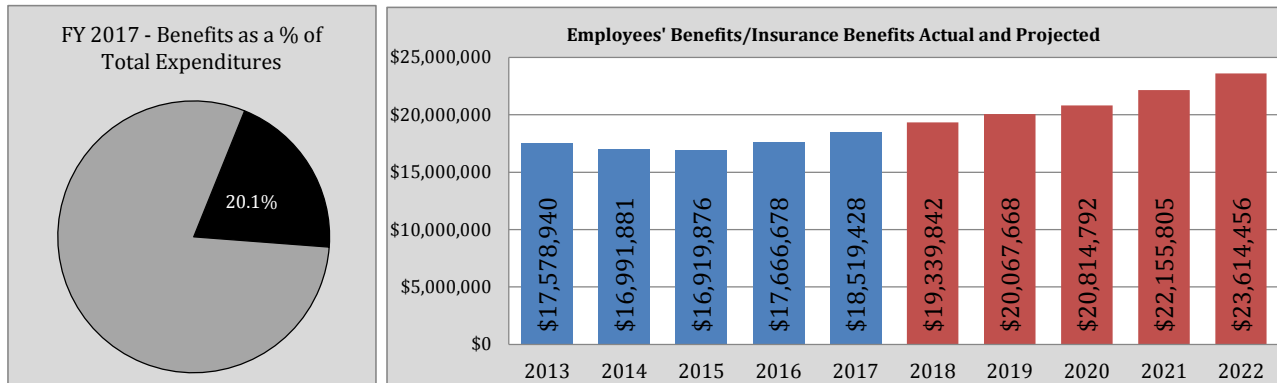
Major Growth Rates Used for Payroll:

SHTA 3%, 2.5%, & 2.5% base salary increases effective 1/1/15, 16 & 17, respectively per new contract; All Others 2%, 2% & 2% base salary increases effective 7/1/15, 16 & 17, respectively; Beyond last year of contracts, assumed 2%/year base salary growth plus steps. Note: This forecast reflects the financial impact of Option #3 of the District's proposed Reduction in Force to address the historical and projected declining enrollment. Option #3 incorporates a reduction of 6 positions effective in Fiscal 2019 and an additional reduction of 19 positions effective in Fiscal 2020.



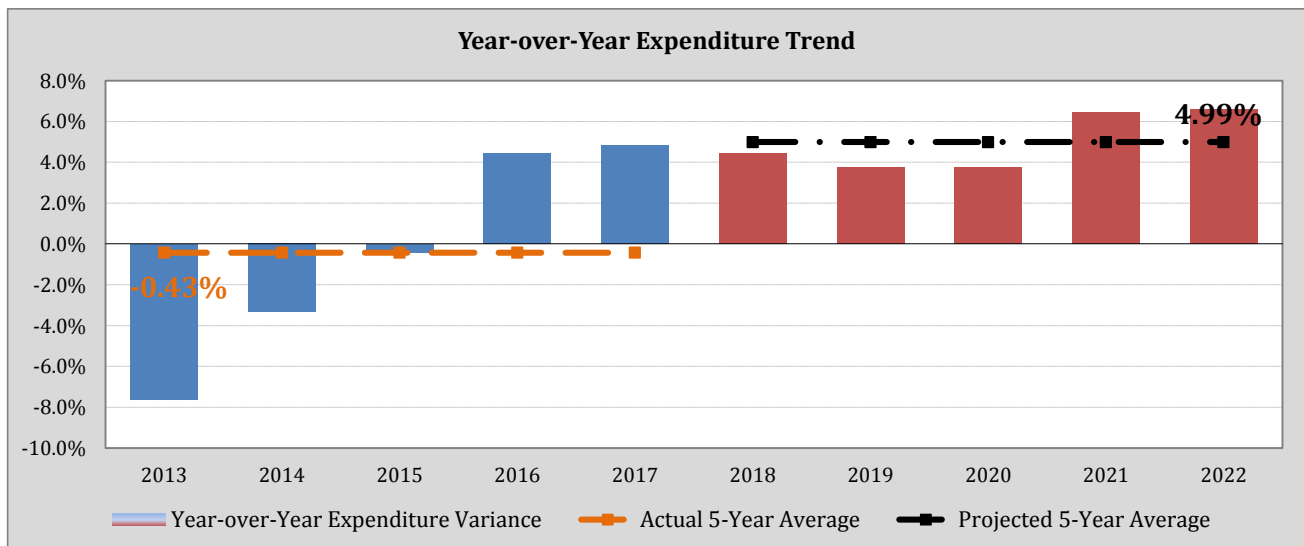
3.020 - Employee Benefits

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



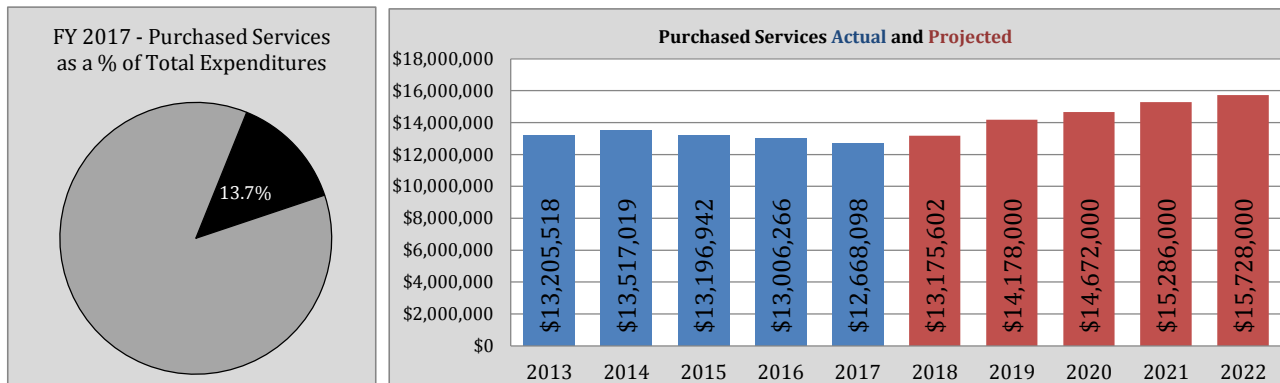
Major Growth Rates Used

Retirement is a fixed % of actual salaries-14% for certificated wages and up to 16% for classified wages. The medical portion of health care costs are expected to grow a moderate 5% with no increase in either prescription drug or dental, resulting in a blended 3.75% increase effective 1/1/18. Combined with the other half of the 7.5% increase that went into effect on 1/1/17, overall health care costs are expected to rise by an effective 5.625% in Fiscal 2018. Fiscal 2019 costs are expected to increase a blended 8.0% effective 1/1/19 for an effective 5.875% in Fiscal 2019. Fiscal 2020 and beyond are forecasted to grow at a 10.0% annual rate based upon advice from District insurance consultants. This forecast reflects the financial impact of Option #3 of the District's proposed Reduction in Force to address the historical and projected declining enrollment. Option #3 incorporates a reduction of 6 positions effective in Fiscal 2019 and an additional reduction of 19 positions effective in Fiscal 2020.

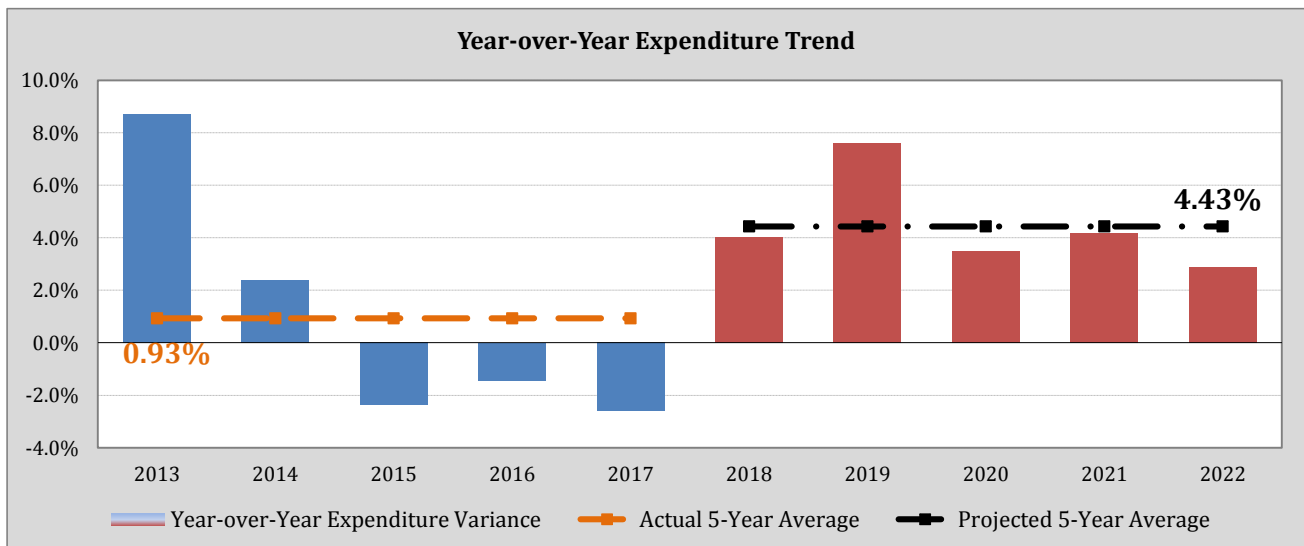


3.030 - Purchased Services

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.

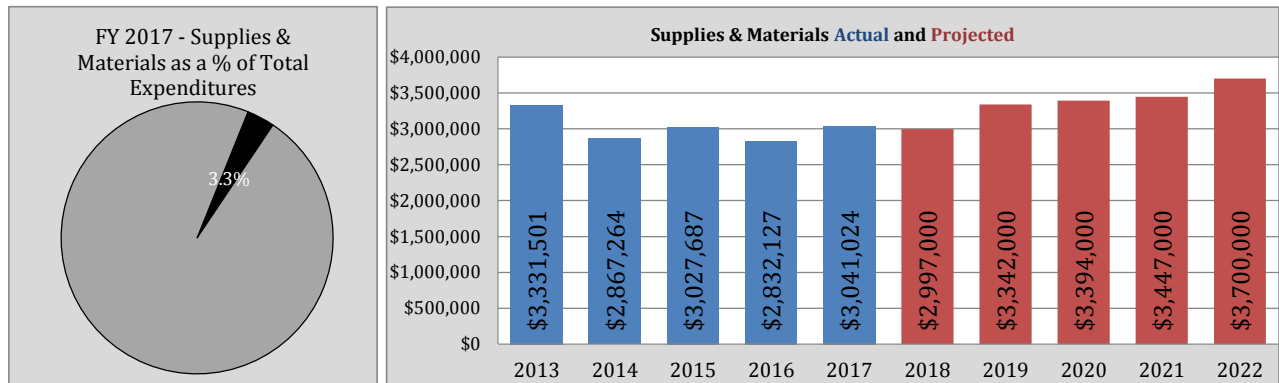


Major Growth Rates Used
 Out-of-District Tuition 5%;
 Out-of-District Transportation 5%;
 Repairs & Maintenance 4%;
 Utilities: Natural Gas 4% & Electricity 3%. Fiscal 2018 and beyond includes reserve funds for increased technology needs, loss of grant funds and other unforeseen expenditures.



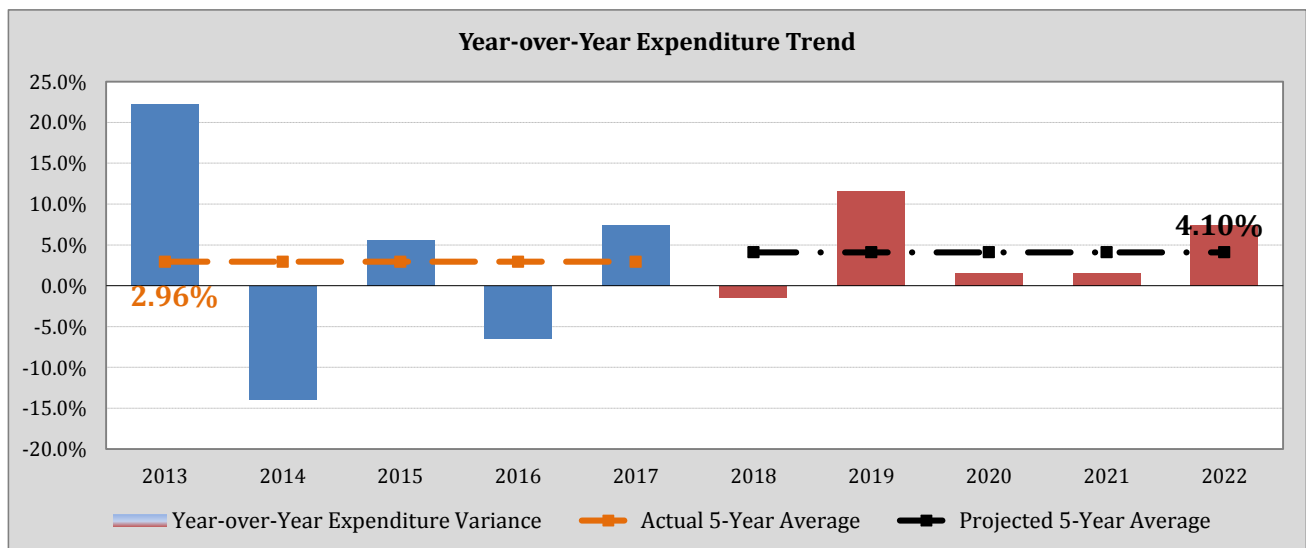
3.040 - Supplies & Materials

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



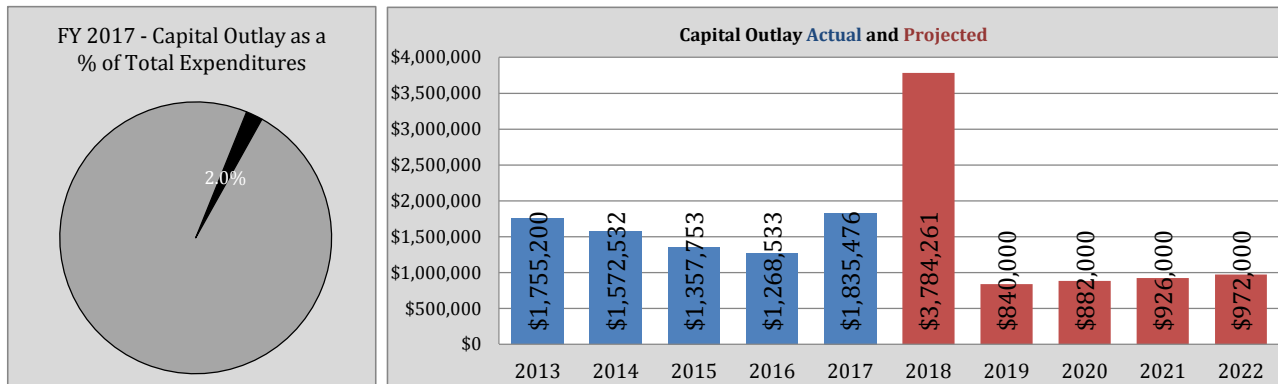
Major Growth Rates Used

Bus Fuel 5% (including an additional allotment to cover any major price fluctuations);
 Also reflects cyclical textbook replacements in Fiscal 2018 and 2022.

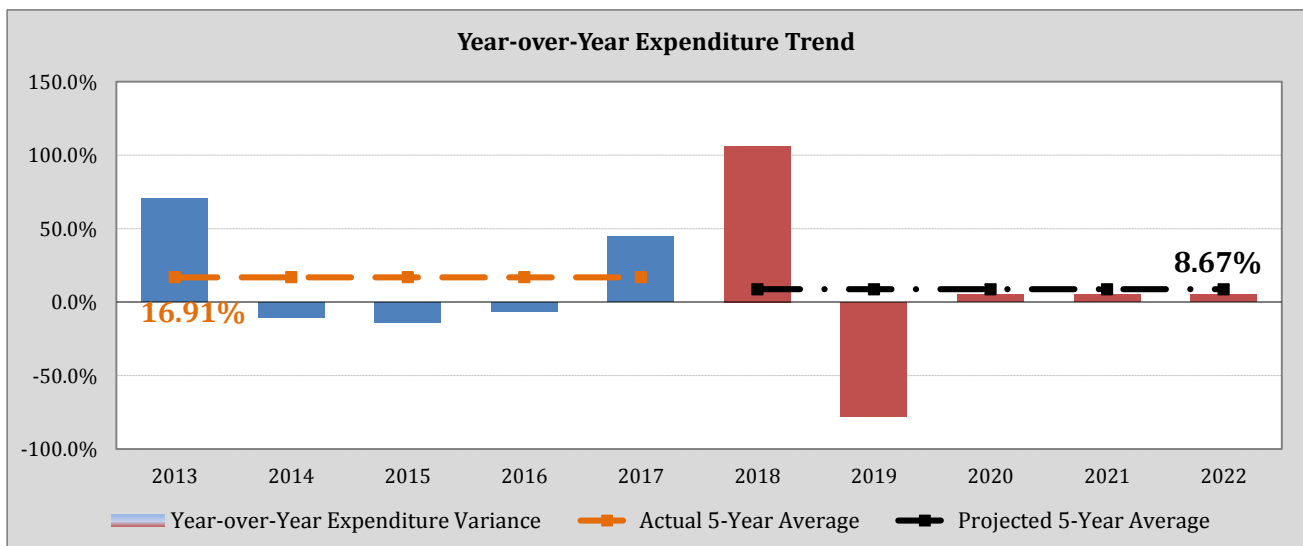


3.050 - Capital Outlay

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.

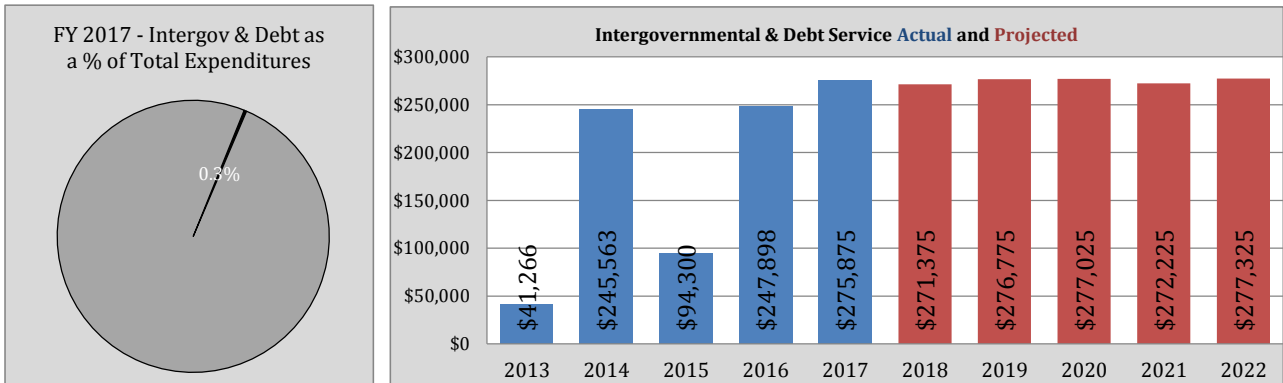


Assumes a 5% growth in capital outlay expenditures on a reduced budget due to availability of the \$30 million bond issue and the 1.25 mill permanent improvement levy beginning in Fiscal 2019. Fiscal 2018 includes the impact of the General Fund paying for the Middle School roof project in the summer of 2017. This expenditure was reimbursed in December 2017 from the proceeds of the first bond issuance and is reflected in All Other Operating Revenues.



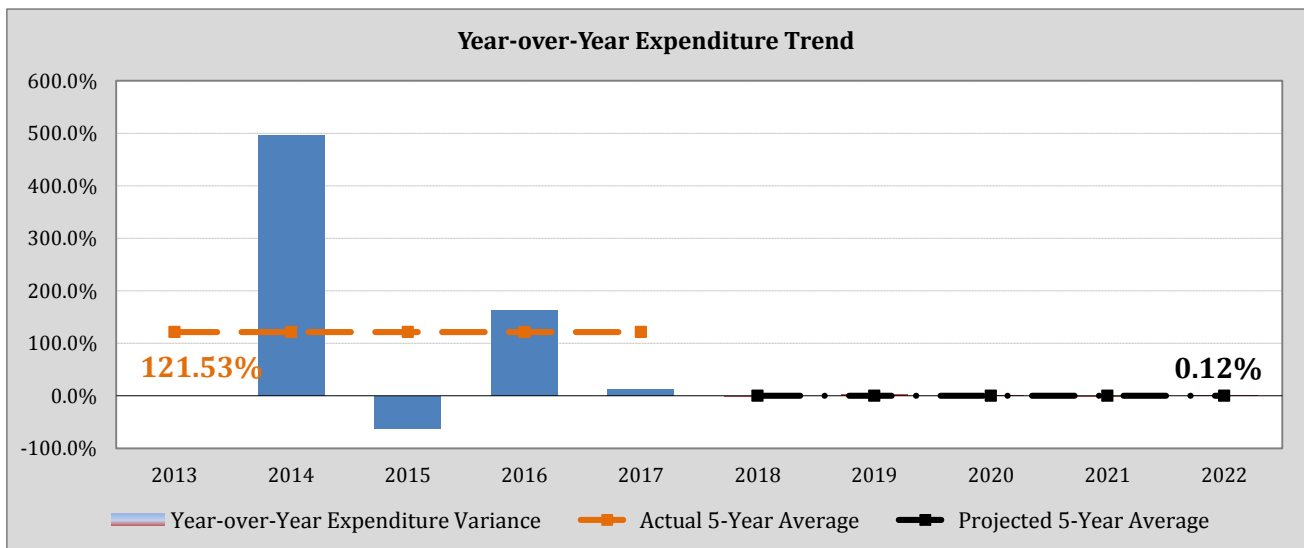
3.060-4.060 - Intergovernmental & Debt

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.



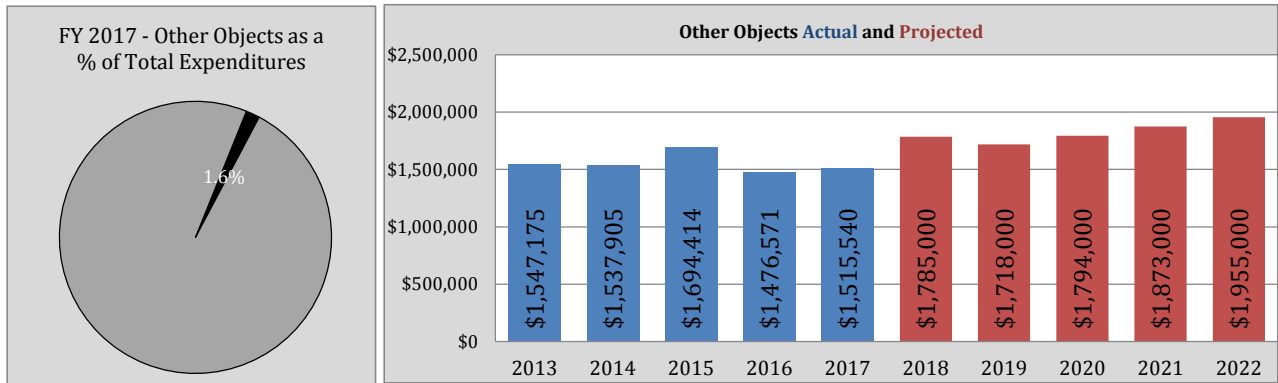
Previously reflected in line 3.06 were unidentified new continuing budget savings of \$1.0 million in Fiscal Years 2018 and 2019, which have been identified and reflected in respective expense line items given the \$2.5 million favorable budget variance for the fiscal year ended June 30, 2017.

Other expenses in this category reflect unvoted debt service repayments.

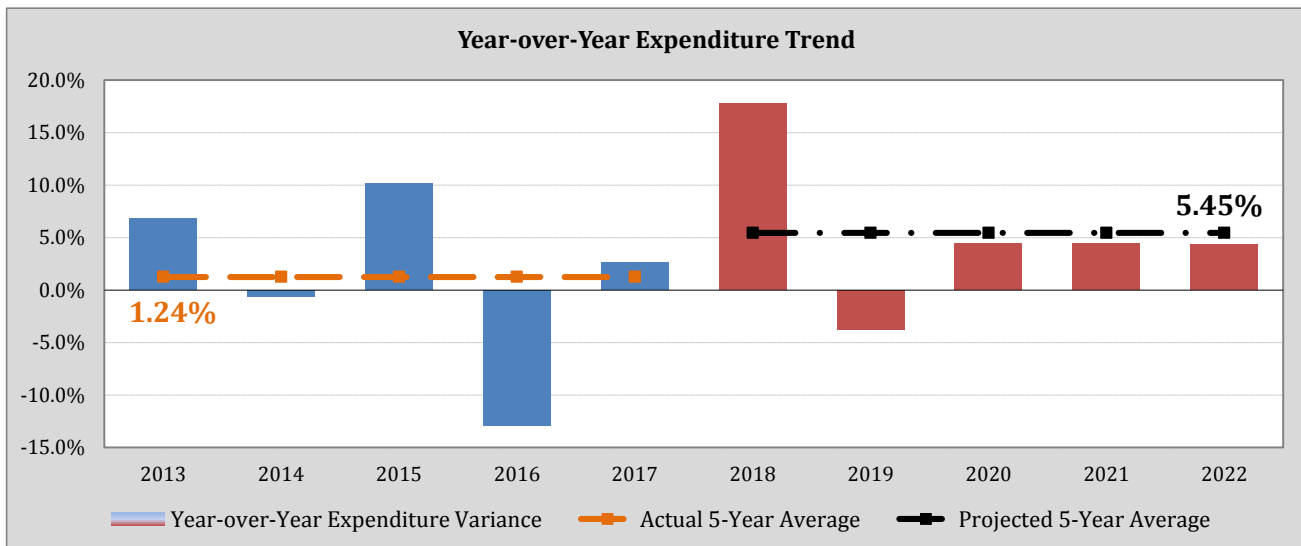


4.300 - Other Objects

Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.

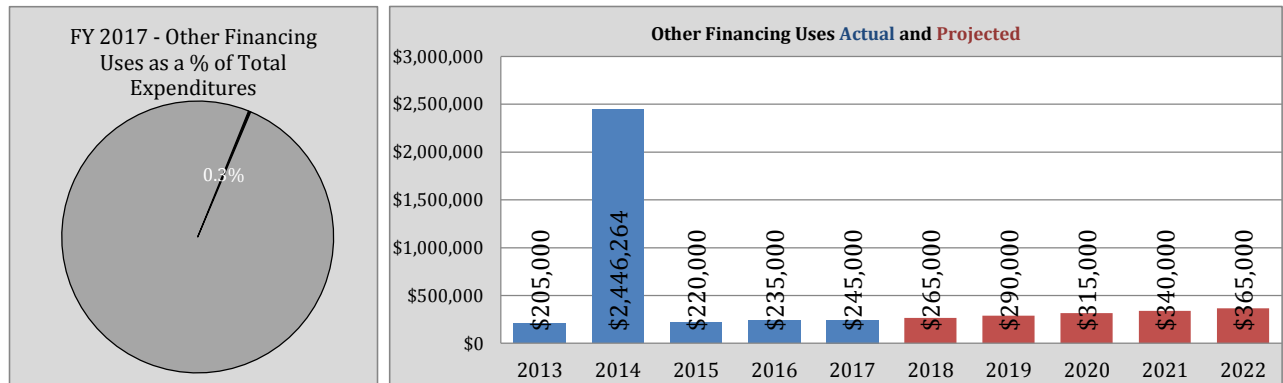


Assumes a 5% growth in most of these expenditures which primarily consist of County Auditor & Treasurer fees (for collecting the District's property taxes). The increase in Fiscal 2018 is attributable to election expenses charged for the bond issue on the May 2017 ballot.

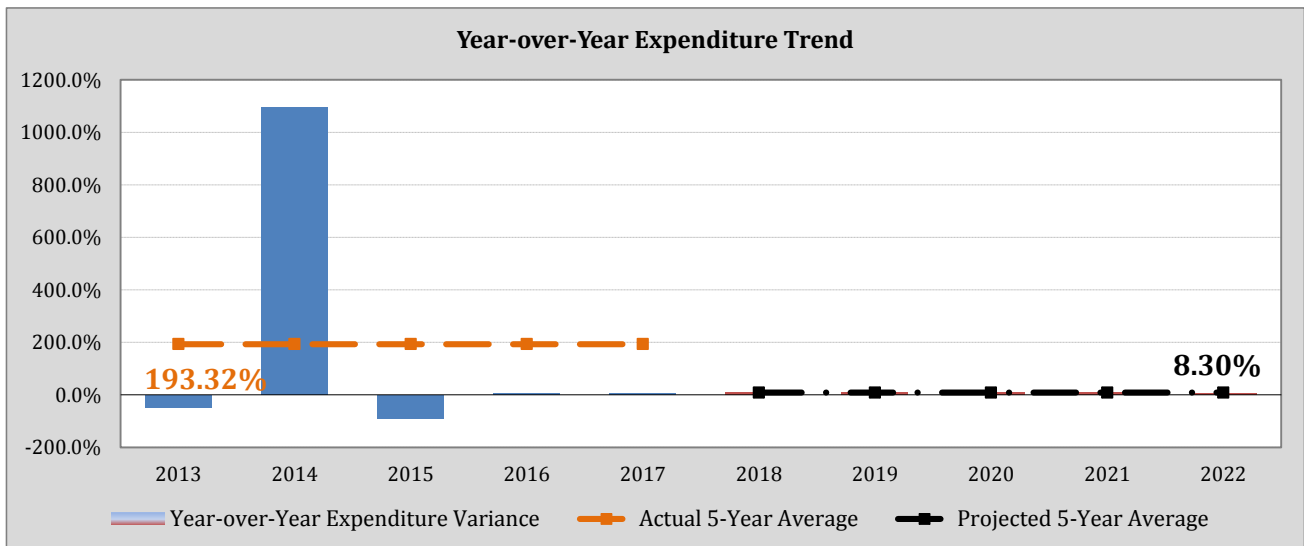


5.040 - Total Other Financing Uses

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



Fiscal 2014 included the transfer of \$2.2 million to the District's capital fund. The majority of this category includes transfers to Fund 300 for District athletics.



Forecast Compare

Comparison of Previous Forecast Amounts to Current Forecasted Numbers
F.Y. 2018

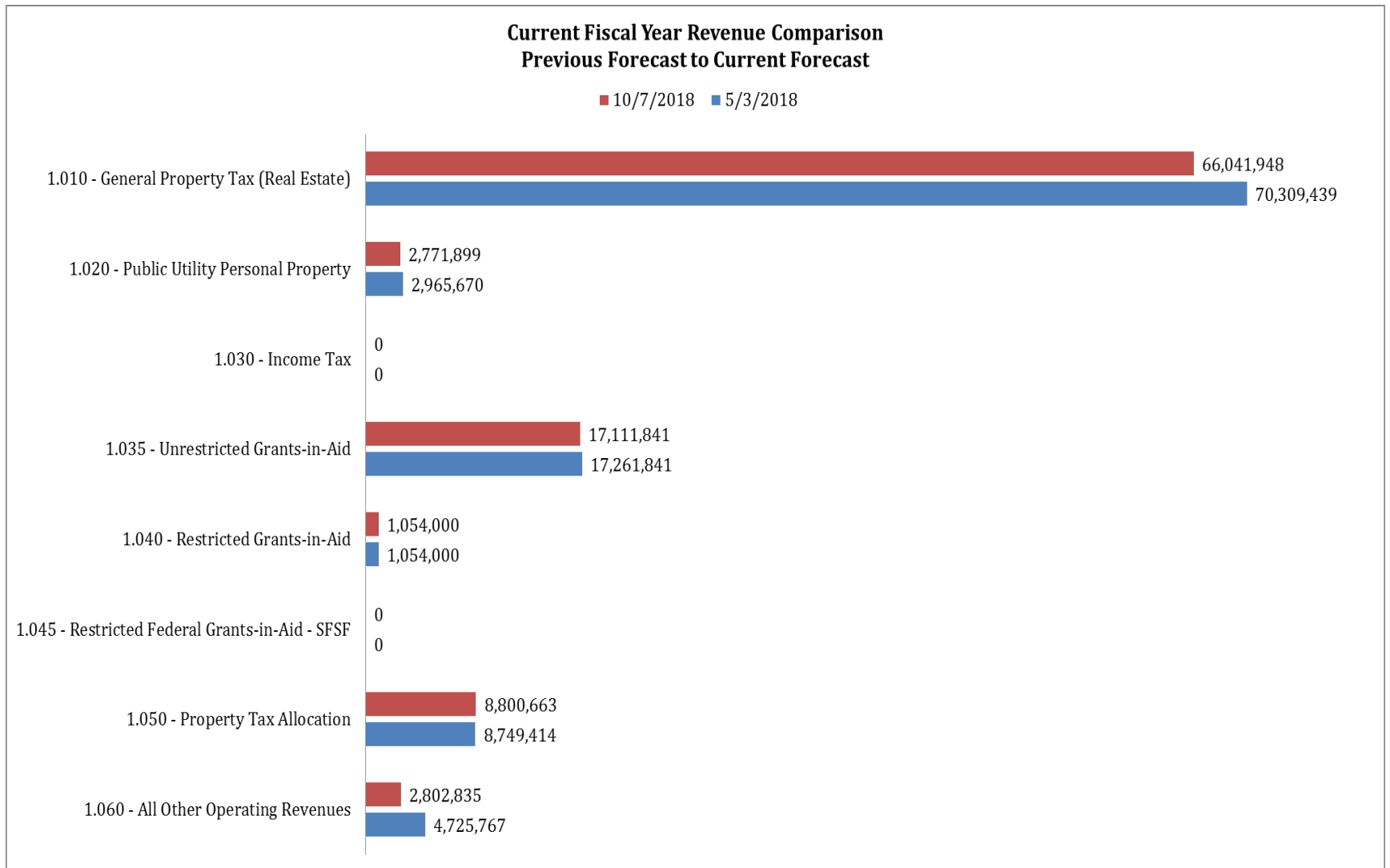
		Column A	Column B	Column C	Column D
		Previous	Current	Dollar Difference Between Previous and Current	Percent Difference Between Previous and Current
		Forecast Amounts For F.Y. 2018 Prepared on: 10/7/2017	Forecast Amounts For F.Y. 2018 Prepared on: 5/3/2018		
Revenue:					
1	Real Estate & Property Allocation	\$74,842,611	\$79,058,853	\$4,216,242	5.6%
2	Public Utility Personal Property	\$2,771,899	\$2,965,670	\$193,771	7.0%
3	Income Tax	\$0	\$0	\$0	n/a
4	State Foundation Restricted & Unrestricted	\$18,165,841	\$18,315,841	\$150,000	0.8%
5	Other Revenue	\$2,802,835	\$4,725,767	\$1,922,932	68.6%
6	Other Non Operating Revenue	\$0	\$0	\$0	n/a
7	Total Revenue	\$98,583,186	\$105,066,131	\$6,482,945	6.6%
Expenditures:					
8	Salaries	\$56,268,000	\$55,968,000	-\$300,000	-0.5%
9	Fringe Benefits	\$19,188,300	\$19,339,842	\$151,542	0.8%
10	Purchased Services	\$13,795,602	\$13,175,602	-\$620,000	-4.5%
11	Supplies, Debt, Capital Outlay & Other	\$5,965,375	\$8,837,636	\$2,872,261	48.1%
12	Other Non Operating Expenditures	\$270,000	\$265,000	-\$5,000	-1.9%
13	Total Expenditures	\$95,487,277	\$97,586,080	\$2,098,803	2.2%
14	Revenue Over/(Under) Expenditures	\$3,095,909	\$7,480,051	\$4,384,142	4.6%*
15	Ending Cash Balance	\$50,865,873	\$55,250,015	\$4,384,142	4.6%*

*Percentage expressed in terms of total expenditures

The \$1.7 million reimbursement from the bond proceeds combined with the accelerated real estate tax collections due to the change in federal income tax laws resulted in a \$6.5 million favorable revenue difference from the October 2017 forecast. The \$2.1 million unfavorable expenditure variance is primarily attributable to the expenditure of the Middle School roof project, which is offset by the reduction in outstanding encumbrances attributable to the MS roof project.

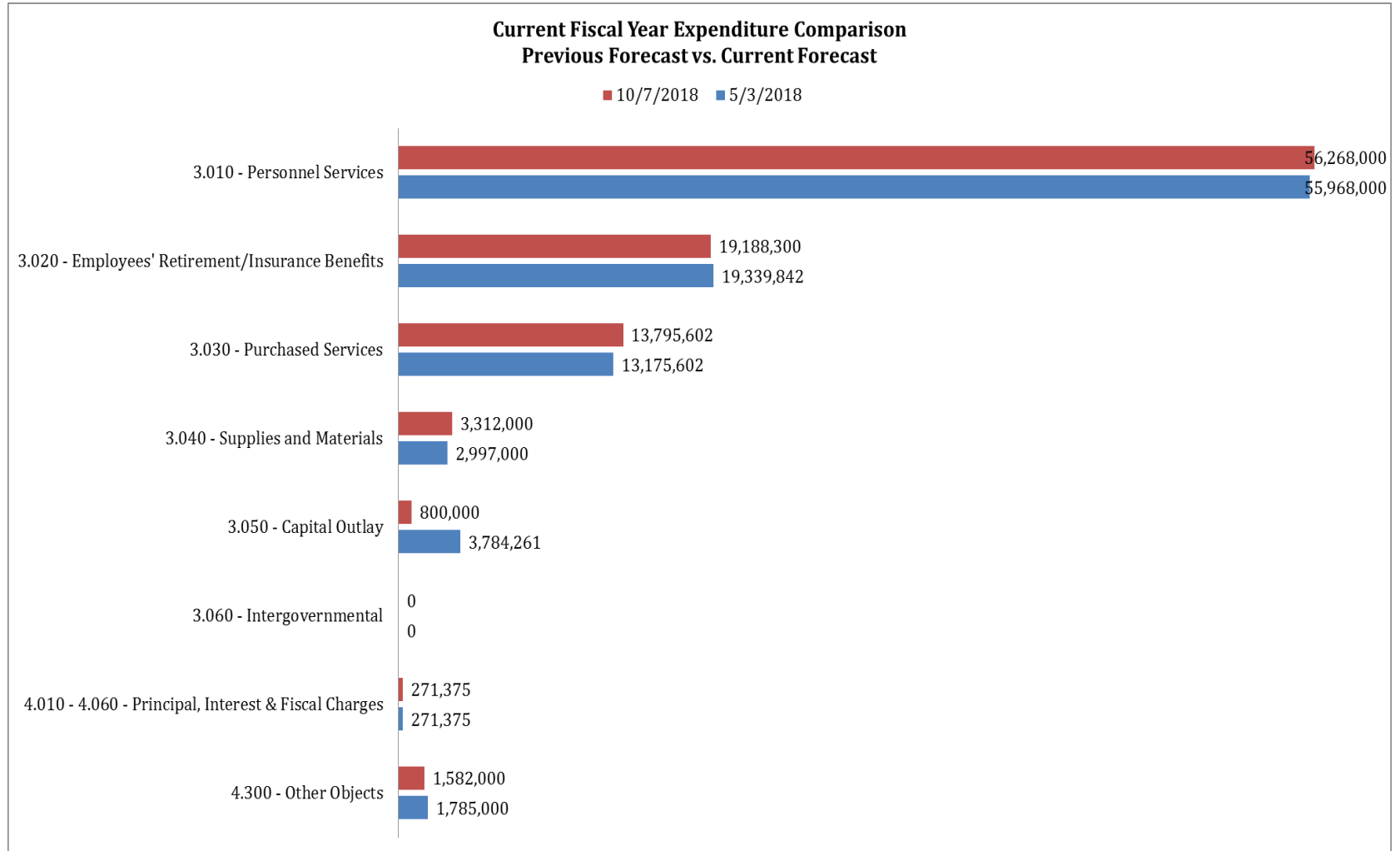
Current vs Prior Forecast

F2018 Revenues



Current vs Prior Forecast

F2018 Expenditures



Shaker Heights City Schools

Fiscal Year:	Actual	FORECASTED				
	2017	2018	2019	2020	2021	2022
Revenue:						
1.010 - General Property Tax (Real Estate)	66,041,948	70,309,439	60,804,259	65,671,341	65,880,341	65,966,441
1.020 - Public Utility Personal Property	2,771,899	2,965,670	2,965,670	2,965,670	2,965,670	2,965,670
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	17,111,841	17,261,841	17,262,000	16,398,900	16,399,000	15,579,050
1.040 - Restricted Grants-in-Aid	1,045,195	1,054,000	1,064,000	1,073,000	1,082,000	1,091,000
1.045 - Restricted Federal Grants - SFSF	-	-	-	-	-	-
1.050 - Property Tax Allocation	8,800,663	8,749,414	8,749,414	8,749,414	8,749,414	8,749,414
1.060 - All Other Operating Revenues	2,951,607	4,725,767	3,007,000	2,847,000	2,824,000	2,862,000
1.070 - Total Revenue	98,723,153	105,066,131	93,852,343	97,705,325	97,900,425	97,213,575
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	-	-	-	-	-	-
2.060 - All Other Financing Sources	-	-	-	-	-	-
2.070 - Total Other Financing Sources	-	-	-	-	-	-
2.080 - Total Rev & Other Sources	98,723,153	105,066,131	93,852,343	97,705,325	97,900,425	97,213,575
Expenditures:						
3.010 - Personnel Services	54,058,679	55,968,000	57,331,000	57,846,000	59,621,000	61,459,000
3.020 - Employee Benefits	18,519,428	19,339,842	20,067,668	20,814,792	22,155,805	23,614,456
3.030 - Purchased Services	12,668,098	13,175,602	14,178,000	14,672,000	15,286,000	15,728,000
3.040 - Supplies and Materials	3,041,024	2,997,000	3,342,000	3,394,000	3,447,000	3,700,000
3.050 - Capital Outlay	1,835,476	3,784,261	840,000	882,000	926,000	972,000
3.060 - Intergovernmental	-	-	-	-	-	-
Debt Service:						
4.010 - Principal-All Years	225,000	-	-	-	-	-
4.020 - Principal - Notes	-	-	-	-	-	-
4.030 - Principal - State Loans	-	-	-	-	-	-
4.040 - Principal - State Advances	-	-	-	-	-	-
4.050 - Principal - HB264 Loan	-	145,000	150,000	155,000	155,000	160,000
4.055 - Principal - Other	-	80,000	85,000	85,000	85,000	90,000
4.060 - Interest and Fiscal Charges	50,875	46,375	41,775	37,025	32,225	27,325
4.300 - Other Objects	1,515,540	1,785,000	1,718,000	1,794,000	1,873,000	1,955,000
4.500 - Total Expenditures	91,914,120	97,321,080	97,753,443	99,679,817	103,581,030	107,705,781
Other Financing Uses						
5.010 - Operating Transfers-Out	245,000	265,000	290,000	315,000	340,000	365,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	245,000	265,000	290,000	315,000	340,000	365,000
5.050 - Total Exp and Other Financing Uses	92,159,120	97,586,080	98,043,443	99,994,817	103,921,030	108,070,781
6.010 - Excess of Rev Over/(Under) Exp	6,564,033	7,480,051	(4,191,100)	(2,289,492)	(6,020,605)	(10,857,206)
7.010 - Cash Balance July 1 (No Levies)	41,205,931	47,769,964	55,250,015	51,058,915	48,769,423	42,748,818
7.020 - Cash Balance June 30 (No Levies)	47,769,964	55,250,015	51,058,915	48,769,423	42,748,818	31,891,612
8.010 - Estimated Encumbrances June 30	7,129,543	5,029,543	5,029,543	5,029,543	5,029,543	5,029,543
9.080 - Reservations Subtotal	353,070	353,070	353,070	353,070	353,070	353,070
10.010 - Fund Bal June 30 for Cert of App	40,287,351	49,867,402	45,676,302	43,386,810	37,366,205	26,508,999
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Income & Property Tax-Renewal	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	40,287,351	49,867,402	45,676,302	43,386,810	37,366,205	26,508,999
Revenue from New Levies						
13.010 & 13.020 - Income & Property Tax-New	-	-	-	-	2,869,425	5,738,850
13.030 - Cumulative Balance of New Levies	-	-	-	-	2,869,425	8,608,275
15.010 - Unreserved Fund Balance June 30	40,287,351	49,867,402	45,676,302	43,386,810	40,235,630	35,117,274
Ending Fund Bal. as a % of Total Expend.-pre levy	43.7%	51.1%	46.6%	43.4%	36.0%	24.5%

05/02/18



OTHER FINANCIAL ANALYSIS

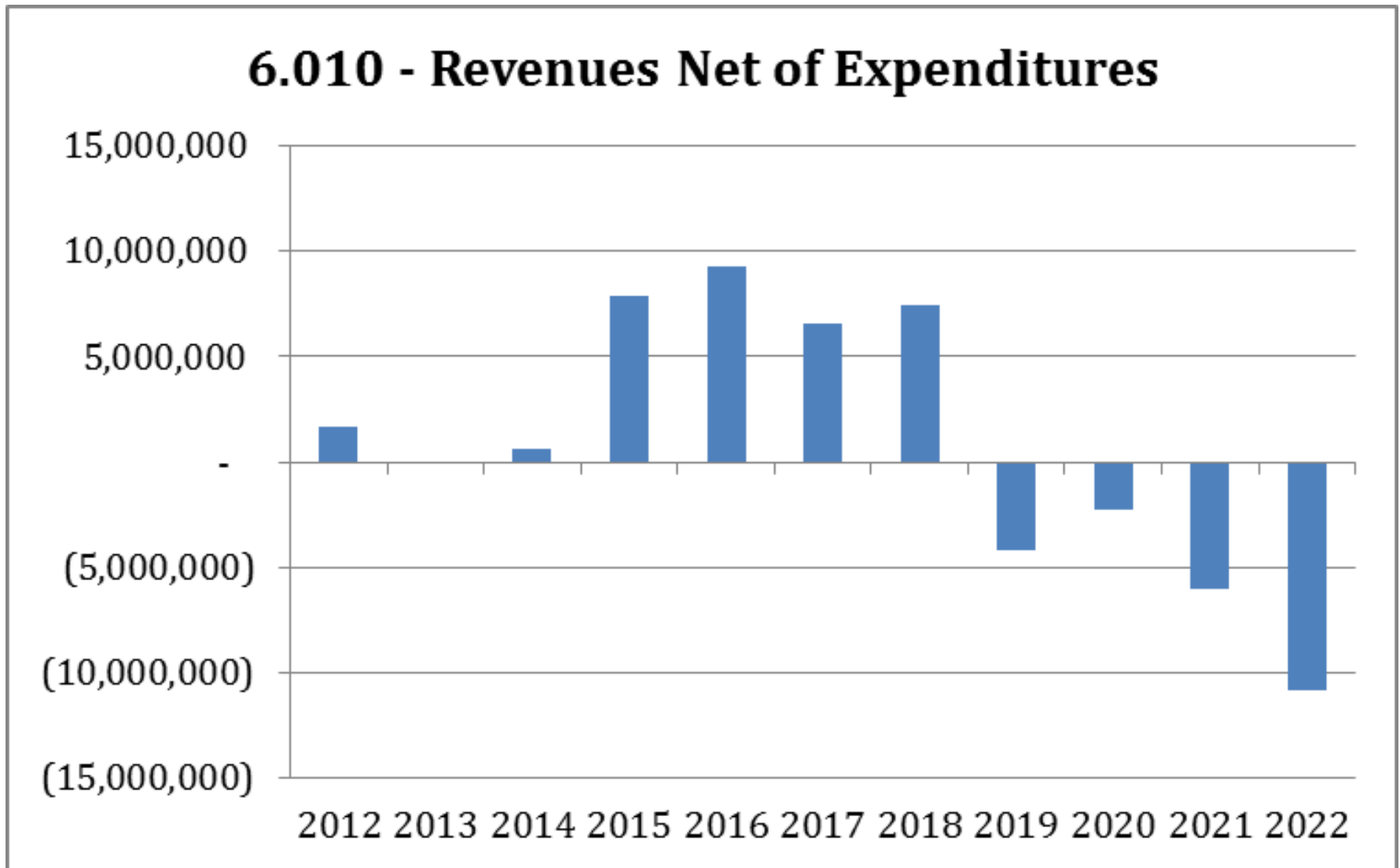




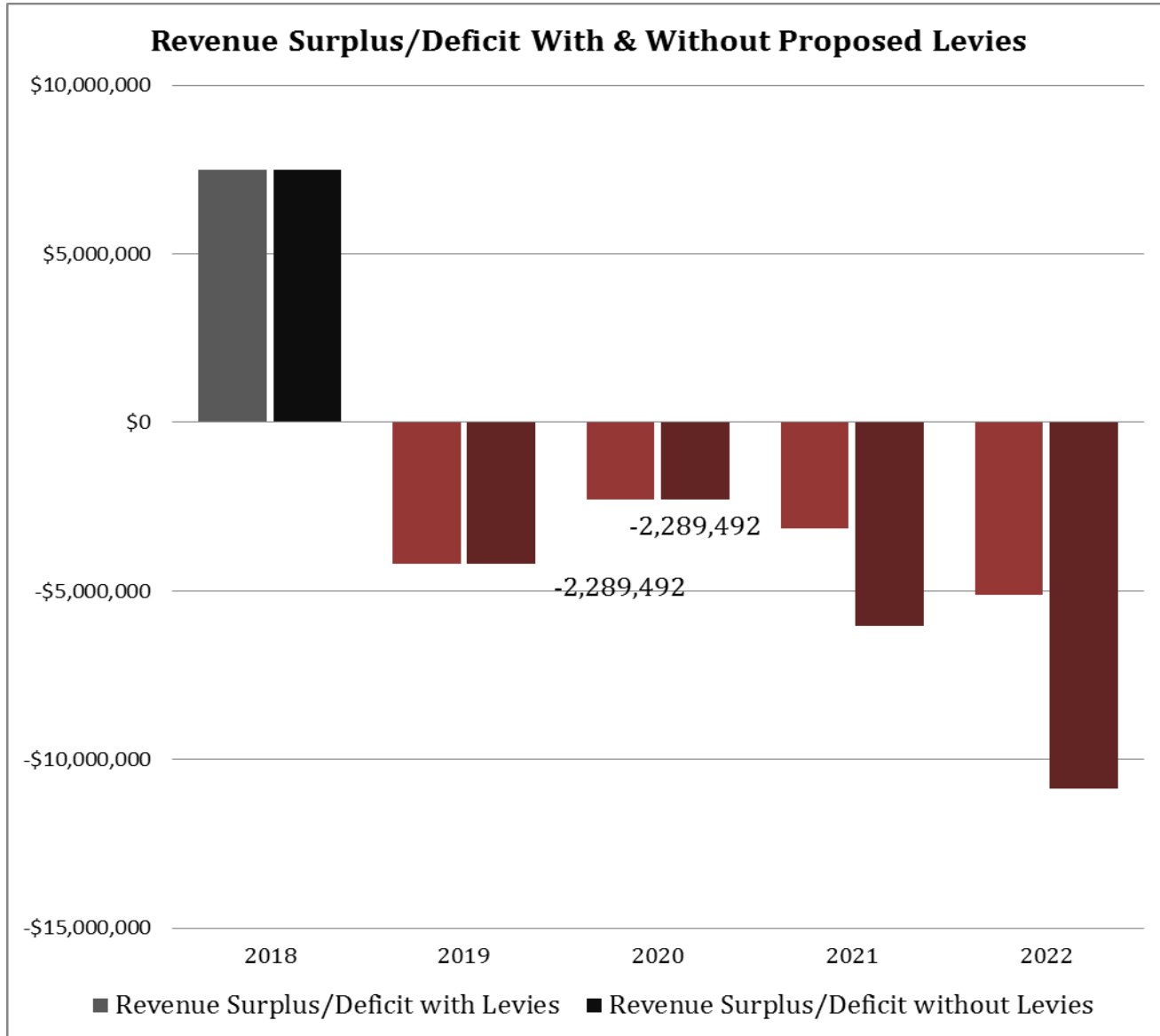
Revenue, Expenses, Fund Balance



Revenues Net of Expenditures



Net Income Surplus/Deficit

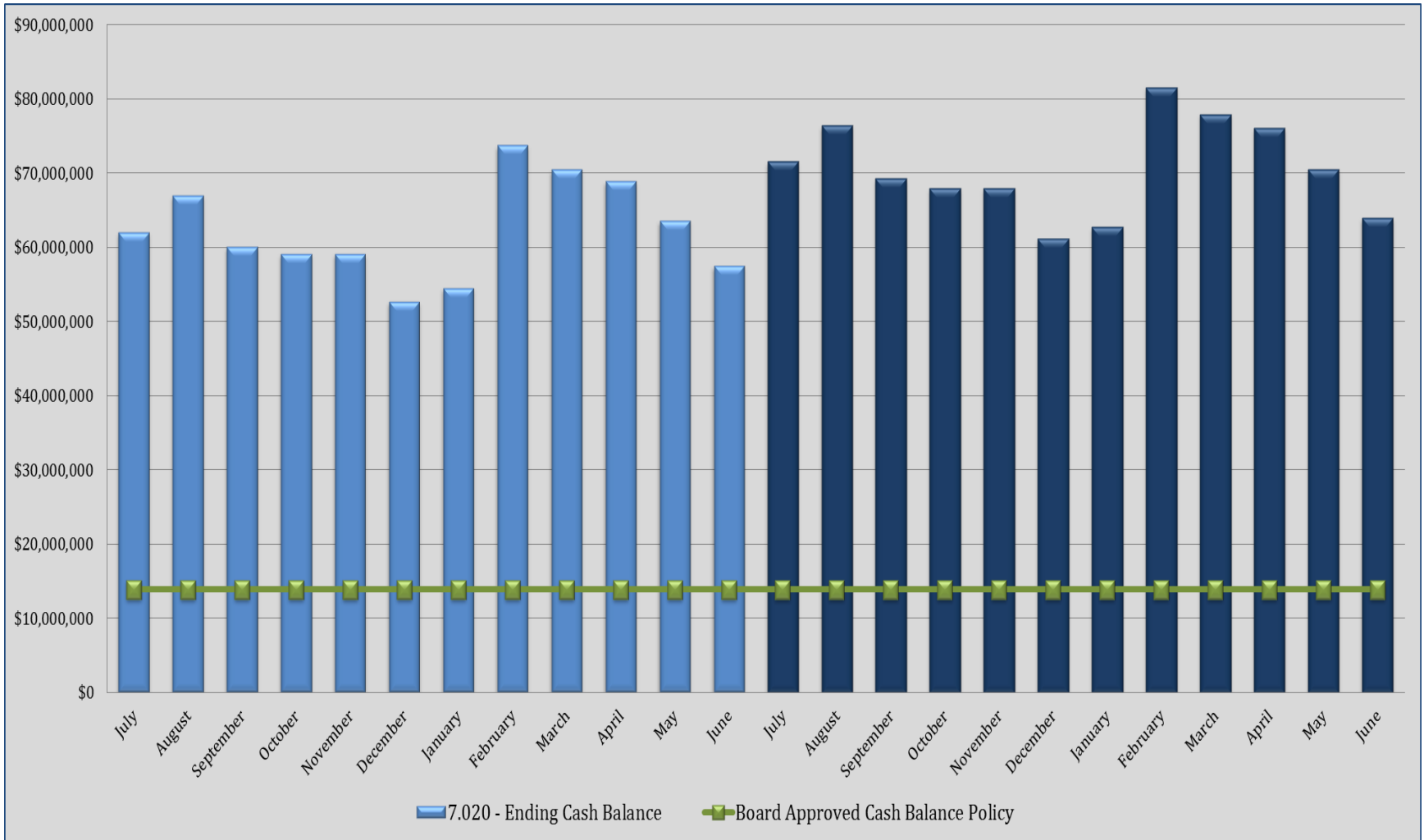




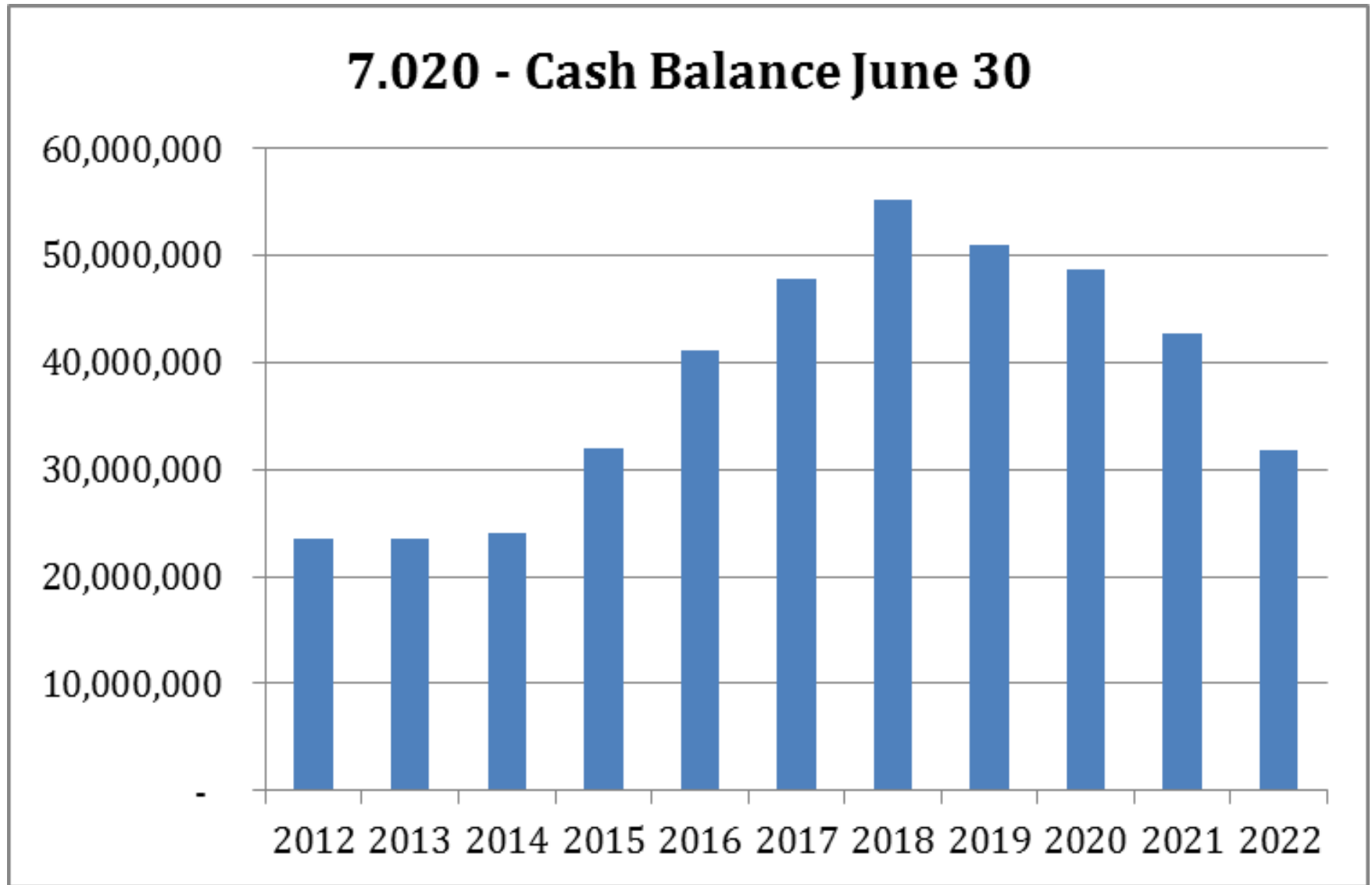
CASH BALANCES



Cash Balances



Yearend Cash Balances





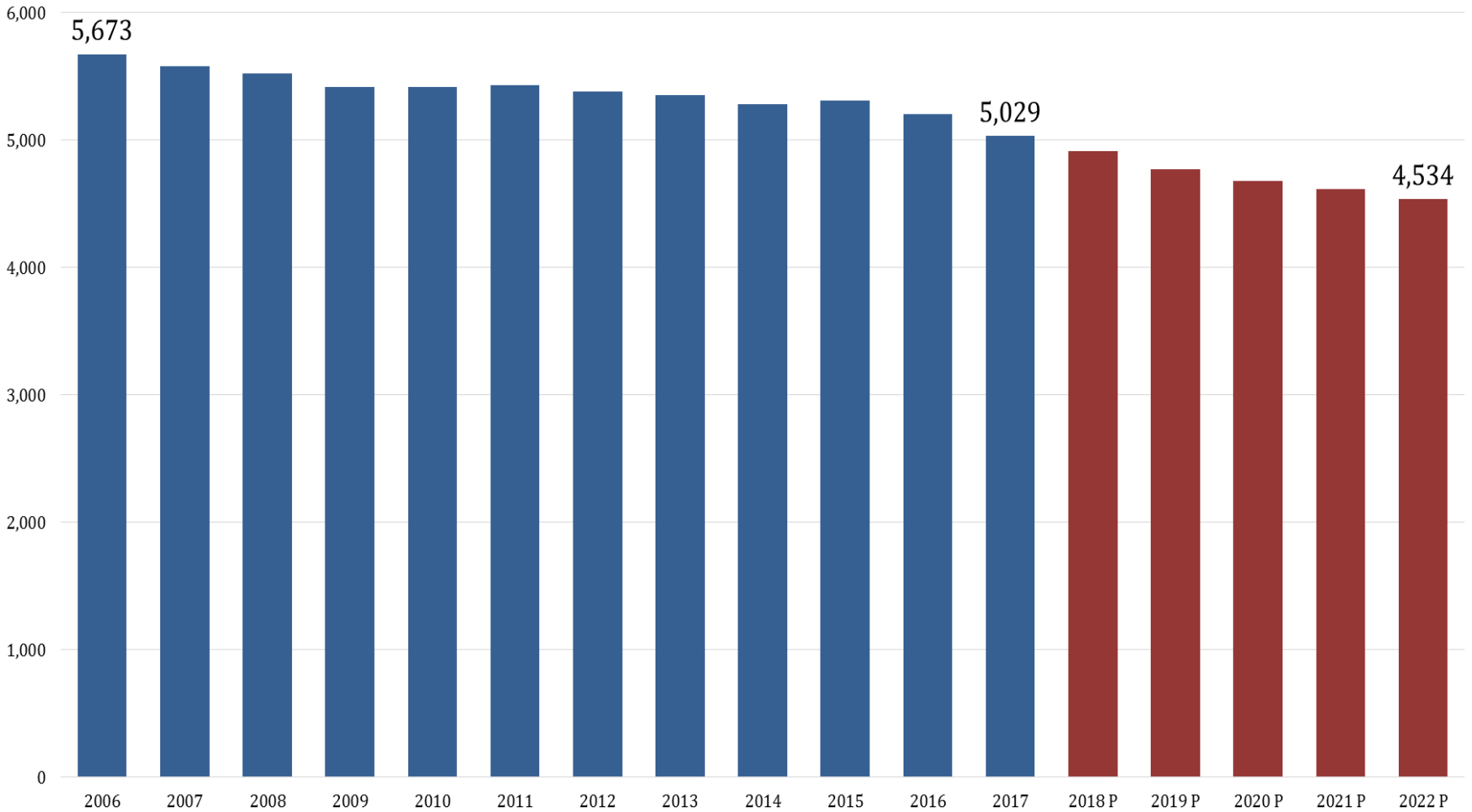
ENROLLMENT



Shaker
Heights
Schools
Shaker Heights, Ohio

Historic vs Projected Enrollment

Historic vs. Projected Enrollment



Shaker
Heights
Schools
Shaker Heights, Ohio

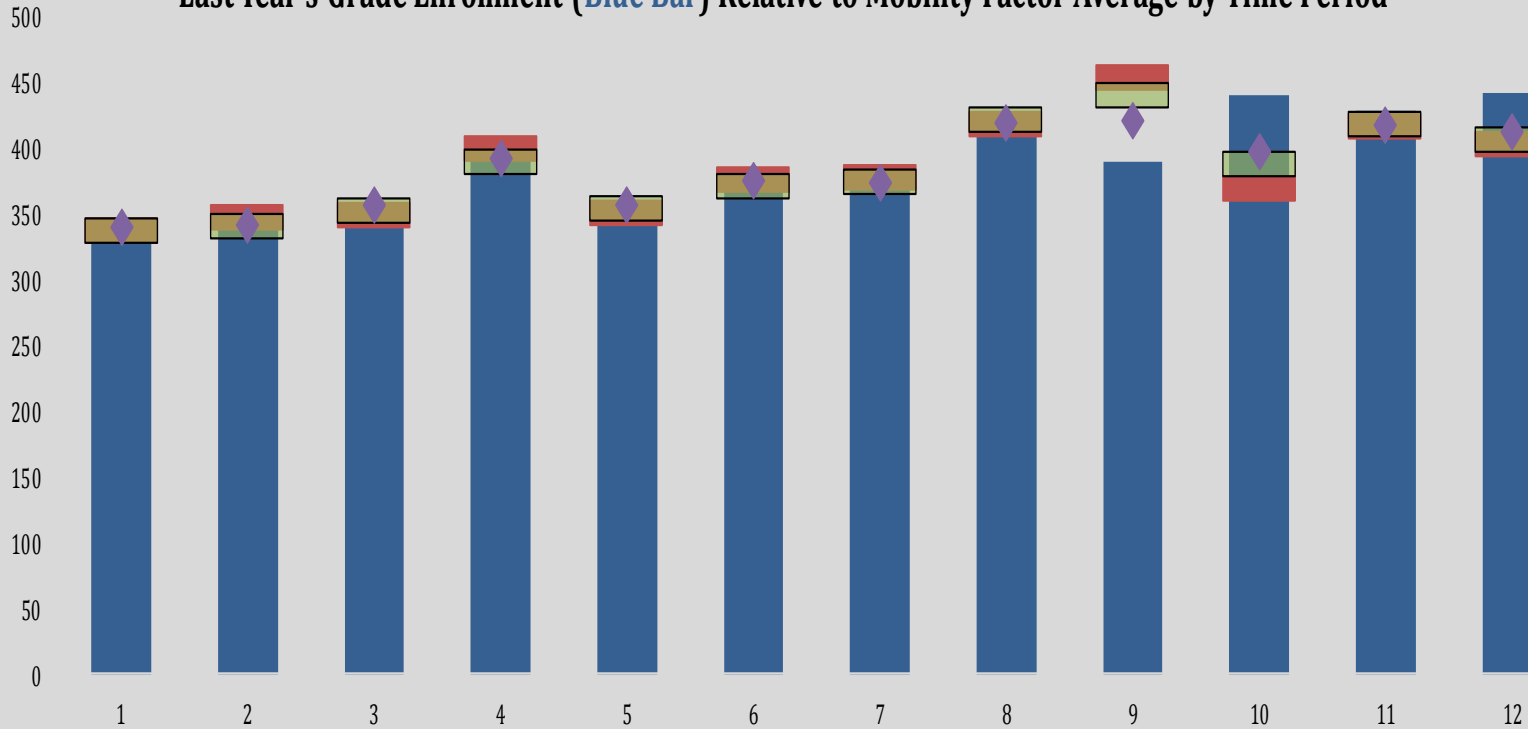
Enrollment Projection

Head Count Summary/Analysis		Shaker Heights City Schools				
		2018	2019	2020	2021	2022
Prior Year Actual/Estimated Enrollment (October Count)		<u>5,029</u>	4,911	4,773	4,676	4,611
Projected Changes to Prior Year Enrollment						
Net All-Grade Level Mobility Factor (Change) to Prior Year		-28	-22	-25	-21	-25
Net Aggregate Manual Adjustments to Mobility Factor		0	0	0	0	0
New Kindergartners In		318	296	317	322	295
Loss of Seniors from Prior Year		-408	-412	-389	-366	-347
Net Change in Outgoing and Incoming Pupils		-90	-116	-72	-44	-52
Current Year Estimated Enrollment (Simulated October Count)		4,911	4,773	4,676	4,611	4,534
District Head Count	Grade					
	K	318	296	317	322	295
	1	339	326	304	325	330
	2	341	332	320	298	319
	3	355	348	339	327	304
	4	391	351	344	335	323
	5	355	402	361	354	344
	6	374	357	404	363	356
	7	373	374	357	404	363
	8	418	377	378	361	408
	9	417	448	404	405	387
	10	401	381	410	369	370
	11	417	392	372	401	361
	12	412	389	366	347	374
Total Can Differ by Rounding		4,911	4,773	4,676	4,611	4,534
Year-Over-Year Percentage Change		-2.34%	-2.81%	-2.03%	-1.40%	-1.66%



Enrollment-Mobility

Last Year's Grade Enrollment (Blue Bar) Relative to Mobility Factor Average by Time Period



The bars to the left reflect your district's enrollment from last year's grade level. For example, last year's 1st grade class enrollment is now reflected in this year's grade 2 class enrollment.

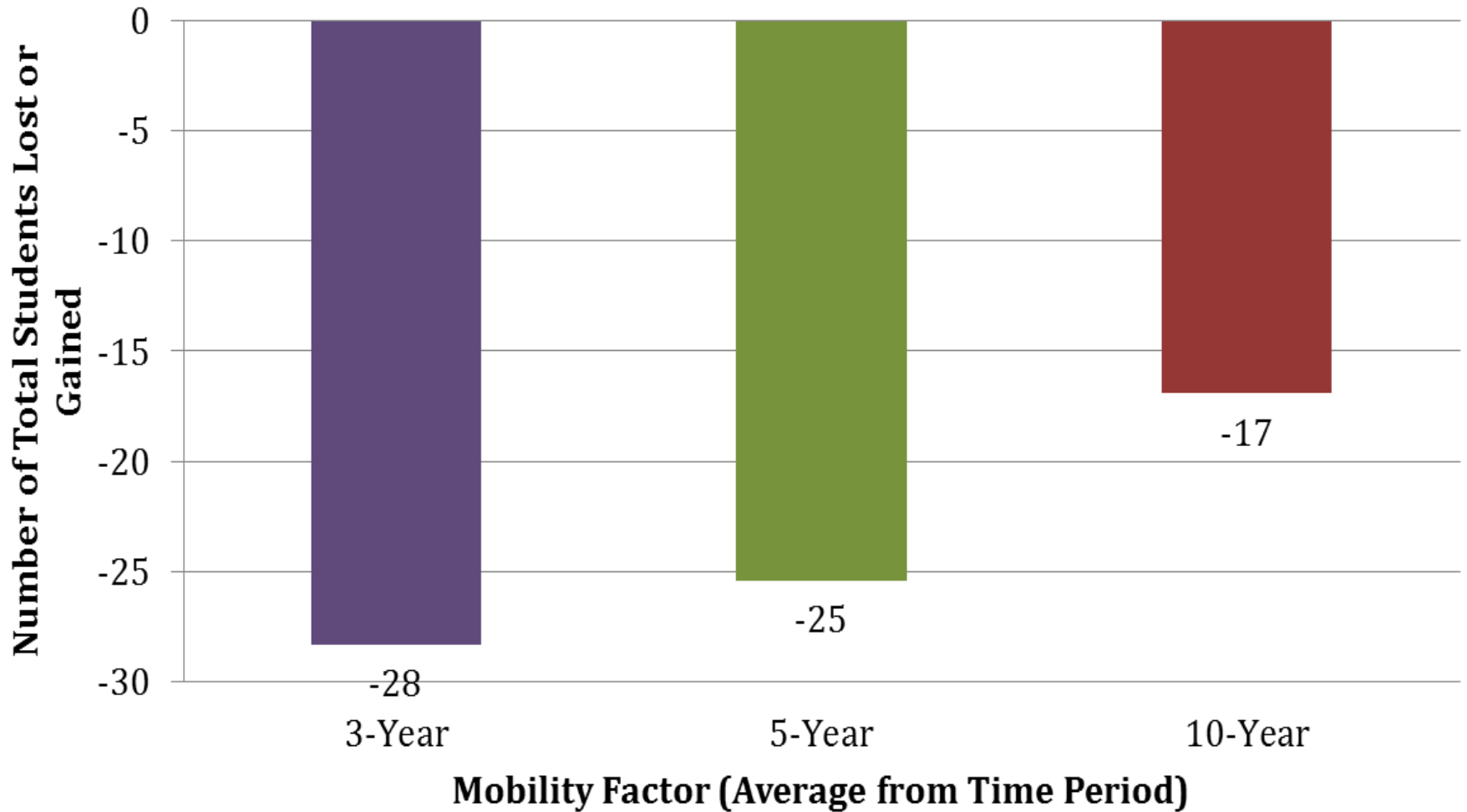
Current Year's Grade Level Reflecting Last Year's Class Enrollment

Mobility Factor Averages by Time Period:



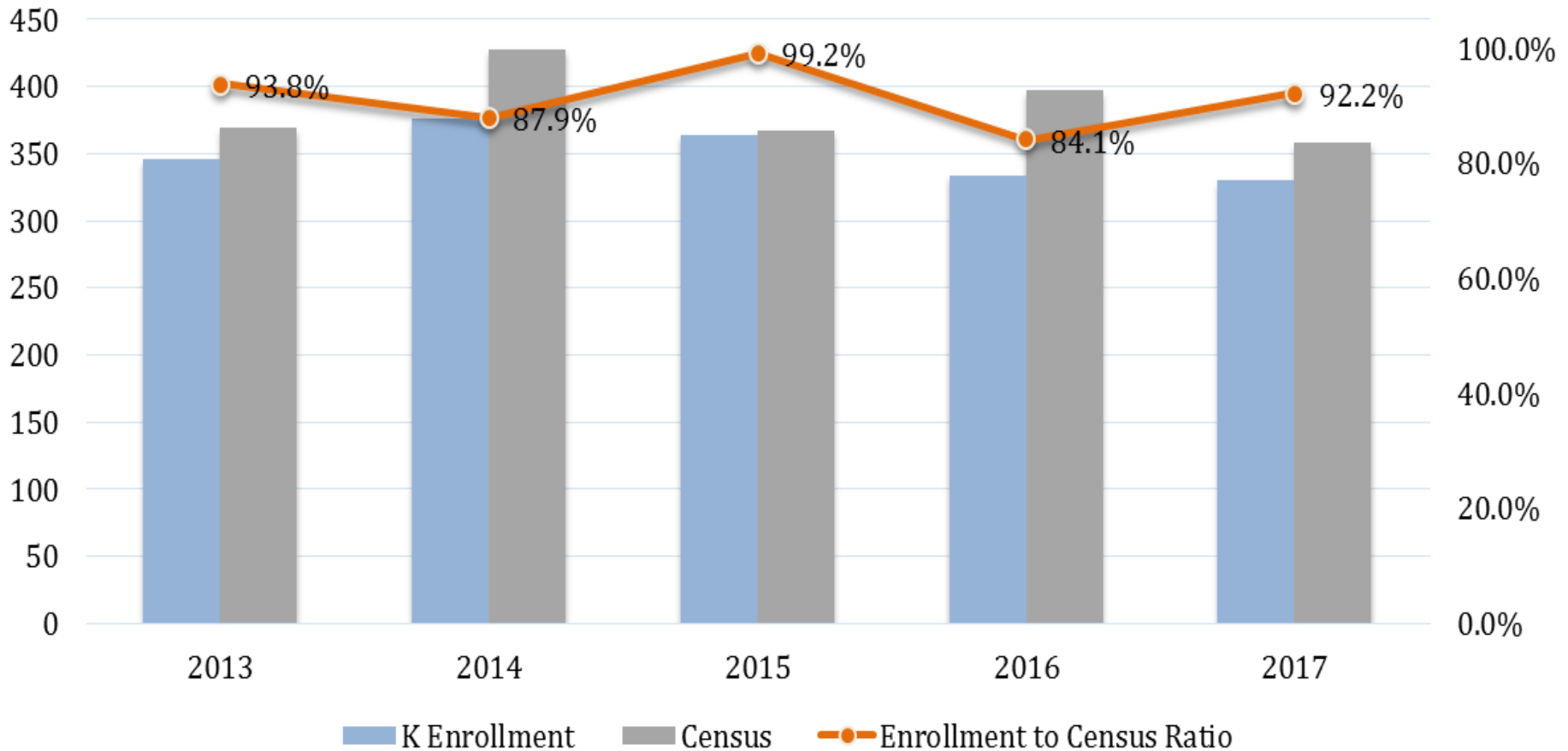
Enrollment-Mobility

Impact of Mobility Factor on Total Enrollment



Enrollment-Kindergarten

Kindergarten Enrollment Compared to Census Population and Resulting % of Census Population Enrolled

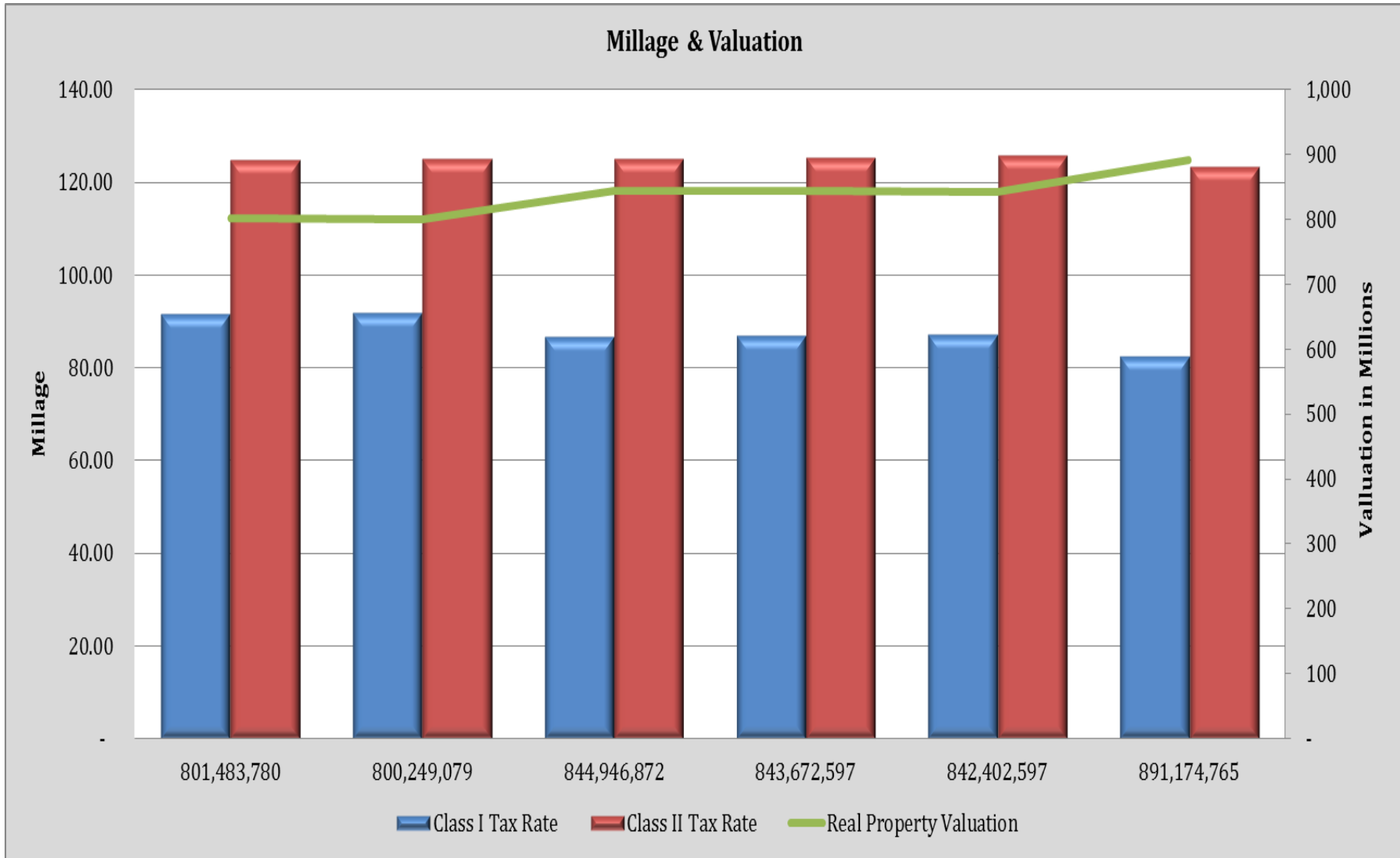




ASSESSED VALUATION



Millage & Valuation



Shaker Heights Schools
Shaker Heights, Ohio

Assessed Valuation

Tax Year 2017=\$811 million

