NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED ACTUAL JUNE 30, 2014, 2015, 2016 FORECASTED FISCAL YEARS ENDING JUNE 30, 2017 THROUGH 2021

Forecast Provided By
NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
Treasurer's Office
Rebecca Jenkins, Treasurer/CFO
May 8, 2017

New Albany-Plain Local Schools

Franklin County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2014, 2015 and 2016 Actual;
Forecasted Fiscal Years Ending June 30, 2017 Through 2021

		Actual				Forecasted				
		Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Average Change	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
	Revenues									
1.010	General Property Tax (Real Estate)	$41,024,275	$42,341,830	$44,275,659	3.9%	$47,371,921	$47,200,871	$48,111,893	$48,950,262	$49,590,861
1.020	Tangible Personal Property	$0	-	-	0.0%	$0	$0	$0	$0	$0
1.035	Unrestricted State Grants-in-Aid	$3,061,781	3,356,086	3,677,010	9.6%	3,750,210	4,000,649	4,181,149	4,370,457	4,569,008
1.040	Restricted State Grants-in-Aid	$639	657	117,091	8862.4%	117,817	117,817	117,817	117,817	117,817
1.045	Restricted Federal Grants-in-Aid - SFSF/EdJobs	-	-	-	0.0%	0	0	0	0	0
1.050	Property Tax Allocation	$4,980,366	5,092,130	5,200,639	2.2%	5,225,932	5,231,630	5,260,859	5,284,011	5,307,236
1.060	All Other Revenues	4,227,346	5,002,712	6,339,351	22.5%	4,716,041	4,364,183	4,198,496	4,133,667	4,119,716
1.070	*Total Revenues*	$53,294,407	$55,793,415	$59,609,750	5.8%	$61,181,921	$60,915,150	$61,870,214	$62,856,214	$63,704,638
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	-	-	-	0.0%	$0	$0	$0	$0	$0
2.020	State Emergency Loans and Advancements (Approved)	-	-	-	0.0%	$0	$0	$0	$0	$0
2.040	Operating Transfers-In	-	-	-	0.0%	-	-	-	-	-
2.050	Advances-In	-	-	-	0.0%	-	-	-	-	-
2.060	All Other Financing Sources	612,252	357,658	202,356	-42.5%	98,621	98,621	98,621	98,621	98,621
2.070	*Total Other Financing Sources*	612,252	357,658	202,356	-42.5%	98,621	98,621	98,621	98,621	98,621
2.080	*Total Revenues and Other Financing Sources*	$53,906,659	$56,151,073	$59,812,106	5.3%	$61,280,542	$61,013,771	$61,968,835	$62,954,835	$63,803,259
	Expenditures									
3.010	Personal Services	33,848,854	$35,114,817	$33,121,406	-1.0%	$34,245,548	$36,420,289	$38,399,125	$40,373,761	$42,375,004
3.020	Employees' Retirement/Insurance Benefits	11,787,960	12,518,129	11,424,675	-1.3%	11,662,905	12,825,316	13,641,650	14,463,599	15,314,878
3.030	Purchased Services	5,846,011	6,019,310	6,074,027	1.9%	6,515,826	6,873,202	7,137,245	7,309,828	7,488,260
3.040	Supplies and Materials	1,372,810	1,322,283	1,349,062	-0.8%	1,718,291	1,752,657	1,787,710	1,823,464	1,859,933
3.050	Capital Outlay	690,292	1,046,435	650,494	6.9%	860,494	1,695,494	1,240,494	1,240,494	1,330,494
3.060	Intergovernmental	-	-	-	0.0%					
	Debt Service:									
4.010	Principal-All (Historical Only)	-	-	195,000	0.0%	-	-	-	-	-
4.020	Principal-Notes	-	-	-	0.0%	-	-	-	-	-
4.030	Principal-State Loans	-	-	-	0.0%	-	-	-	-	-
4.040	Principal-State Advancements	-	-	-	0.0%	-	-	-	-	-
4.050	Principal-HB 264 Loans	-	-	-	0.0%	205,000	215,000	225,000	235,000	0
4.055	Principal-Other	-	-	-	0.0%	-	-	-	-	-
4.060	Interest and Fiscal Charges	-	-	39,344	0.0%	31,100	22,700	13,000	4,700	0
4.300	Other Objects	862,340	858,533	900,828	2.2%	1,109,835	1,118,933	1,128,123	1,137,404	1,146,777
4.500	*Total Expenditures*	$54,408,267	$56,879,507	$53,754,836	-0.5%	$56,348,999	$60,923,591	$63,572,347	$66,588,250	$69,515,346
	Other Financing Uses									
5.010	Operating Transfers-Out	469,390	852,188	1,170,000	59.4%	$1,087,094	$496,836	$506,773	$516,908	$527,246
5.020	Advances-Out	-	-	-	0.0%	-	-	-	-	-
5.030	All Other Financing Uses	506,943	485,551	496,529	-1.0%	$520,000	$520,000	$520,000	$520,000	$520,000
5.040	*Total Other Financing Uses*	976,333	1,337,739	1,666,529	30.8%	1,607,094	1,016,836	1,026,773	1,036,908	1,047,246
5.050	*Total Expenditures and Other Financing Uses*	$55,384,600	$58,217,246	$55,421,365	0.2%	$57,956,093	$61,940,427	$64,599,120	$67,625,158	$70,562,592
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	(1,477,941)	(2,066,173)	4,390,741	-136.4%	3,324,449	(926,656)	(2,630,285)	(4,670,323)	(6,759,333)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	15,901,257	14,423,316	12,357,143	-11.8%	16,747,884	20,072,333	19,145,677	16,515,392	11,845,069
7.020	*Cash Balance June 30*	14,423,316	12,357,143	16,747,884	10.6%	20,072,333	19,145,677	16,515,392	11,845,069	5,085,736
8.010	*Estimated Encumbrances June 30*	886,134	947,529	449,406	-22.8%	449,406	462,888	476,775	491,078	505,810
	Reservation of Fund Balance									
9.010	Textbooks and Instructional Materials				0.0%	-	-	-	-	-
9.020	Capital Improvements				0.0%	-	-	-	-	-
9.030	Budget Reserve				0.0%	-	-	-	-	-
9.040	DPIA				0.0%	-	-	-	-	-
9.045	Fiscal Stabilization				0.0%	-	-	-	-	-
9.050	Debt Service				0.0%	-	-	-	-	-
9.060	Property Tax Advances				0.0%	-	-	-	-	-
9.070	Bus Purchases				0.0%	-	-	-	-	-
9.080	*Subtotal*	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
10.010	*Fund Balance June 30 for Certification of Appropriations*	$13,537,182	$11,409,614	$16,298,478	13.6%	$19,622,927	$18,682,789	$16,038,617	$11,353,991	$4,579,926
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal				0.0%					
11.020	Property Tax - Renewal or Replacement				0.0%	-	-	-	-	-
11.300	Cumulative Balance of Replacement/Renewal Levies	-	-		0.0%	-	-	-	-	-
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	$13,537,182	$11,409,614	$16,298,478	13.6%	$19,622,927	$18,682,789	$16,038,617	$11,353,991	$4,579,926

New Albany-Plain Local Schools

Franklin County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2014, 2015 and 2016 Actual;
Forecasted Fiscal Years Ending June 30, 2017 Through 2021

		Actual				Forecasted				
		Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Average Change	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
	Revenue from New Levies									
13.010	Income Tax - New	-	-	-	0.0%	-	-	-	-	-
13.020	Property Tax - New	-	-	-	0.0%	-	-	-	-	-
13.030	Cumulative Balance of New Levies	-	-	-	0.0%	-	-	-	-	-
14.010	Revenue from Future State Advancements	-	-	-	0.0%	-	-	-	-	-
15.010	*Unreserved Fund Balance June 30*	$13,537,182	$11,409,614	$16,298,478	13.6%	$19,622,927	$18,682,789	$16,038,617	$11,353,991	$4,579,926
	Enrollment	4,756	4,883	4,854		4,820	4,947	4,976	4,983	5,004
	Simple Expenditure Per Pupil - Excluding Transfers	11,440	11,648	11,074		11,691	12,315	12,776	13,363	13,892
	Simple Expenditure Per Pupil - Including Transfers	11,645	11,922	11,418		12,024	12,521	12,982	13,571	14,101

See accompanying forecast notes and assumptions for more detailed information concerning estimates.
Includes: General Fund and portions of Debt Service Fund related to General Fund HB264 debt.

New Albany-Plain Local School District – Franklin County
Notes to the Five Year Forecast
General Fund Only
May 8, 2017

DISTRICT MISSION:
To ensure the development of high-achieving, ethical, self-directed, and intellectually curious citizens of the world.

STATEMENT OF PURPOSE:
To create a culture of accountability that achieves the best academic and developmental outcomes for each student.

2016-2017 CONTINUOUS IMPROVEMENT PLAN

Commitment to Excellence
The New Albany-Plain Local School District is committed to creating a culture of accountability that achieves the best academic and developmental outcomes for each student. The District aspires, by 2021, to be ranked in the top 5% (#30 or higher of 608 public school districts) for student achievement in the State of Ohio as reported by the Ohio Department of Education (ODE), which will require incremental progress of at least 1% annually.

Focus
All employees will be accountable for implementing research-based practices including a rigorous and aligned curriculum, common assessments, focused instruction and data-driven decisions to achieve the best academic and developmental outcomes for every student within a fiscally sustainable budget.

Benchmarks and Indicators

Benchmark 1: Increase achievement
- Increase the district performance index rank as compared to all Ohio school districts on the Local Report Card from #64 (2015-16 ranking, top 11%) to #54 (2016-17 ranking, top 9%) or better.
-

Benchmark 2: Facilitate a year or more of growth for every year of instruction
- Demonstrate at least one year's worth of growth or higher on the district component grade measuring progress of all students in math and reading in grades 4-8 as calculated by ODE.

Benchmark 3: Meet or exceed State's achievement and gap closing standards for specific subgroups scoring below the state proficiency requirement in reading and math
- Increase by 5% or more the performance of student subgroups (based upon ethnicity, race, or socioeconomic status) from the 2016 to the 2017 ODE gap closing report.

Benchmark 4: Graduate students who are college and career ready
- Continue to earn a grade of A for the graduation rate component on the Local Report Card.
- Increase the district ACT mean score to be at least 20% higher than the state average.

Benchmark 5: Enhance school culture and social-emotional well-being
- Administer age-appropriate student climate surveys to establish baseline data on the percentage of students who feel safe at school, supported, and have at least one staff member to approach with problems.

Benchmark 6: Demonstrate sustainable fiscal management
- Earn an annual Government Finance Officer Association (GFOA) award for excellence in financial reporting for the district's Comprehensive Annual Financial Report (CAFR).
- Receive an unqualified audit with fewer than three minor compliance citations.
- Reduce FY17 Five Year Forecast Line Item 4.500 (Total Expenditures) by at least $560,000 resulting in a 1% reduction in operational expenditures, to positively impact the district's Five Year Forecast and eliminate deficit spending forecasted in FY18.

Benchmark 7: Ensure community engagement and stakeholder satisfaction
- Implement annual community and staff surveys to establish baseline data on the level of satisfaction with educational quality, school culture, communications, climate and/or fiscal management.

Introduction to the Five Year Forecast

All school districts in Ohio are required to file a five (5) year financial forecast by October 31, and May 31, in each fiscal year (FY). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. Fiscal year 2017 (July 1, 2016 through June 30, 2017) is the first year of the five year forecast and is considered the baseline year. Our forecast is being updated to reflect the most current economic data for the May 2017 filing.

May 2017 Updates:

Revenues:

The overview of revenues shows that we are substantially on target with original estimates at this point in the year. Total General Fund revenues (line 1.07) are estimated to be $61,280,542 or 1.19% higher than the October forecasted amount of $60,463,715. This indicates the October forecast was 98.8% accurate.

The majority of the increase is due to higher than expected delinquent tax collections in real estate, commercial and PUPP. The district did see a decrease in income tax sharing with the City of New Albany, however, the increase in tax collections more than offset this reduction.

All other areas of revenue are tracking as anticipated for FY17.

Expenditures:

At this time we expect our original estimates for expenditures on Line 4.5 to end the fiscal year under the October forecast projections. The district set a goal to reduce current year spending by $560,000. This has been accomplished through thoughtful attrition replacement and mindful spending in all other areas thus causing the reduction in total expenditures.

Unreserved Ending Cash Balance:

With revenues increased slightly over estimates and expenditures ending under original budget, our ending unreserved cash balance is anticipated to be roughly $19.5 million. The ending unreserved cash balance on Line 15.010 of the forecast is anticipated to be a positive accumulative balance through 2021 if assumptions we have made for state aid in the proposed HB49 budget remain close to our estimates. There is some uncertainty regarding HB49 as of the date this forecast is presented. This uncertainty is discussed in more detail below.

State Funding and The Proposed Biennium State Budget HB49(FY18 – FY19):

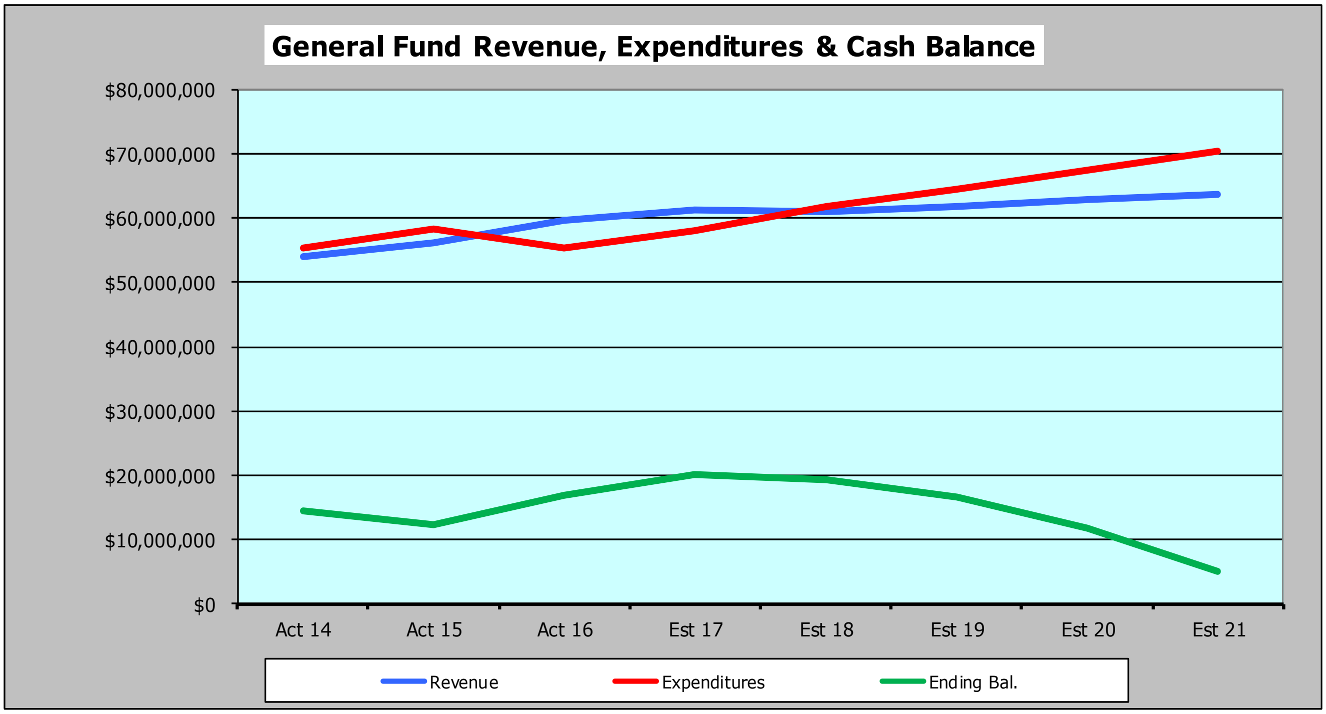
We have structured the District forecast estimating the effects of the current state biennium budget, HB64 which will end June 30, 2017. We have also tried to anticipate the effects of some changes proposed in HB49 on fiscal years 2018-2021 even though HB49 will not be known until late June 2017, beyond the date this forecast must be filed. Major revenue changes were made in prior state budgets HB59 and HB 64 that impacted District revenue including TPP Fixed rate reimbursement phase out and a CAP on state funding.

HB64 continued a CAP on funding at a 7.5% increase for FY2016 and FY2017. HB49 as proposed continues CAP growth at a lower 5% rate. We have continued this estimated CAP growth rate at 5% . This will be updated once the HB49 outcome is known.

It is important to emphasize that we will not know the actual effects of HB49 until sometime in June 2017 when legislation is finally passed into law. Since we will not know with certainty the funding formula prior to May 31, 2017, our forecast filing deadline, we feel it is reasonable to assume the facts stated above for the period FY18-21. This methodology is consistent with other May forecasts when there have been uncertainty regarding the final State budget bill. State foundation revenue equates to 6% of our revenue each year.

The major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information please feel free to contact Ms. Rebecca Jenkins, Treasurer/CFO of the New Albany-Plain Local Schools at 614-855-2040.

General Fund Revenue, Expenditure and Ending Cash Balance:

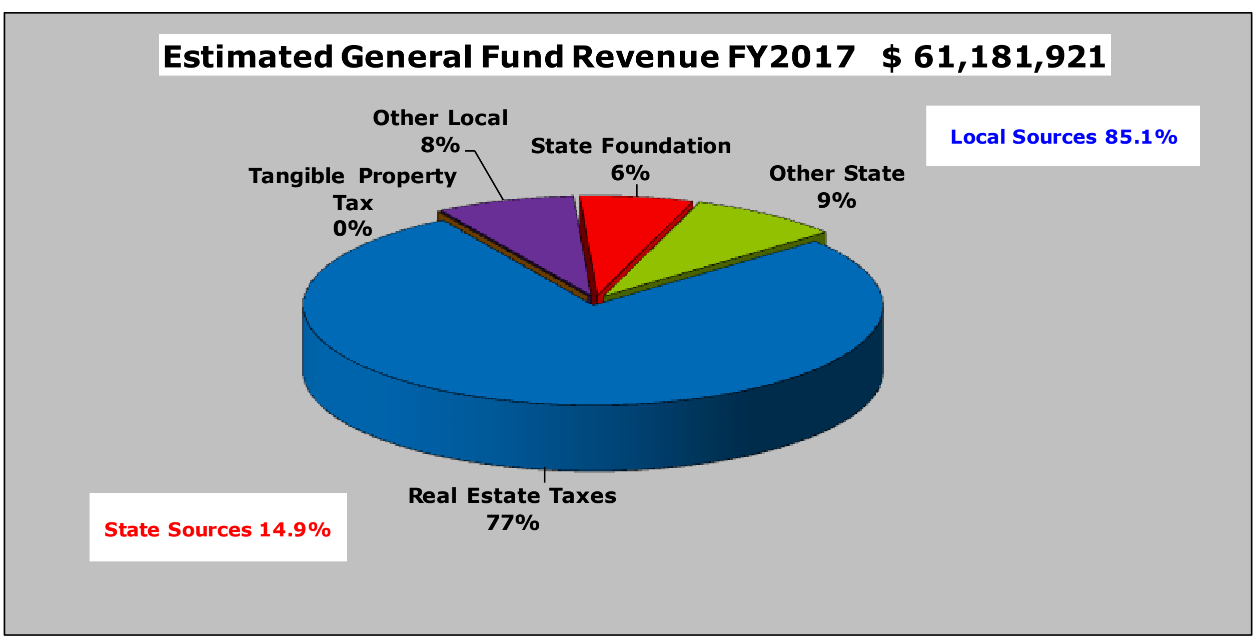


Enrollment Growth

Enrollment growth is a key driver of District expenditures. Below is a snapshot of both actual historical and future projected growth. The 2016 ThinkGate enrollment projection report is the source of the actual and projected numbers below. The District began using the "Low" projection due to the lower to flat enrollment experienced in FY16. We will monitor this growth and revise accordingly.

Grade	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
K-1	582	611	648	668	647	657	687	660	658	684	654	629	682	675	683	702	686
2-3	549	569	641	684	741	754	712	730	794	751	759	765	693	710	765	754	767
4-5	531	578	594	595	642	705	749	755	746	792	842	795	791	793	718	734	791
6-8	782	822	860	882	931	916	973	1,065	1,175	1,187	1,207	1,181	1,230	1,235	1249	1199	1,169
9-12	765	856	965	1,100	1,145	1,148	1,204	1,216	1,274	1,342	1,421	1,484	1,540	1,534	1561	1594	1591
Total	3,209	3,436	3,708	3,929	4,106	4,180	4,325	4,426	4,647	4,756	4,883	4,854	4,936	4,947	4976	4983	5004

Revenue Assumptions
Estimated General Fund Revenue for FY17



Real Estate Value Assumptions – Line # 1.010

Property Values are established each year by the County Auditor based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values. A reappraisal of the district property value occurred in 2014 for collection in calendar year 2015. Based on current sale to property valuation ratios we anticipate values will remain mostly steady with slight increases for the period 2017 through 2021, and in our next appraisal update in 2017. The 2014 update of real estate values realized a 4.36% increase in residential values but commercial only realized a .4% increase for New Albany Schools.

The forecast assumes that growth in new residential and commercial real estate will begin to gradually increase based on the economic factors discussed above. New growth is projected at 1% of total tax values in FY2015 and thereafter. This forecast also includes the abated real estate values rolling onto the tax duplicate as the associated abatements expire. As explained in the "All Other Financial Sources" section below there is an offsetting reduction in the associated income tax sharing agreements which was included in those agreements and expected by the District. In most instances the real estate tax gain is greater than the reduction in income tax sharing. Outside of the impact of a new levy, tax collections are anticipated to grow at a rate consistent with new construction and any other value adjustments considered new construction made by the Franklin County Auditor.

It is important to note that Real Estate Collections in CY14, CY15 and CY16 were 100% collected. This is due to the increased collection of delinquencies. This collection rate is anticipated to return to the more historical average of 95% in future years and will be adjusted as we continue to monitor these collections.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

Classification	Estimated TAX YEAR 2016 COLLECT 2017	Estimated TAX YEAR 2017 COLLECT 2018	Estimated TAX YEAR 2018 COLLECT 2019	Estimated TAX YEAR 2019 COLLECT 2020	Estimated TAX YEAR2020 COLLECT2021
Res./Ag.	$732,941,290	$763,508,942	$764,758,942	$766,008,942	$767,258,942
Comm./Ind.	$160,596,580	$166,808,512	$181,308,512	$184,308,512	$189,808,512
Public Utility (PUPP)	$37,720,480	$38,470,480	$39,220,480	$39,970,480	$40,720,480
Tangible Prop.(TPP)	$0	$0	$0	$0	$0
Total Assessed Valuation	$931,258,350	$968,787,934	$985,287,934	$990,287,934	$997,787,934

ESTIMATED REAL ESTATE TAX (Line #1.010)

Source	FY17	FY18	FY19	FY20	FY21
Est. Prop. Taxes Including PUPP	$47,371,921	$47,200,871	$48,111,893	$48,950,262	$49,590,861

In general, 53% of the new Res/Ag and Comm/Ind. is expected to be collected annually in February tax settlements and 47% is collected in August tax settlements. Public Utility tax settlements (PUPP taxes) are estimated to be received 50% in February and 50% in August settlement from the Franklin County Auditor. TPP ceased to be collected after FY11.

Estimated Tangible Personal Tax – Line#1.020

The phase out of TPP taxes began in FY06. HB66 was adopted in June 2005 and the provisions of the legislation have estimated the tangible personal property tax would be eliminated after FY11. Any revenues received in FY12 and beyond are delinquent TPP taxes in Line 1.02. Beginning in FY13 Public Utility Personal Property (PUPP) taxes are receipted in Line 1.01. This caused Line 1.02 to drop to $-0- and Line 1.01 increased slightly to account for PUPP tax receipts which are settled with general property taxes. There was no effect on total revenues.

State Foundation Revenue Estimates

Unrestricted State Foundation Revenue– Line #1.035

The amounts estimated for FY17 for state funding are based on funding component computations from the most recent September 2016 State Foundation Payment Report (SFPR). The current FY16-17 state budget HB64 includes an increase in funding for our district. We are projected to be a cap district regarding state funding in FY16 and FY17. Our state funding status for FY18-21 will depend on the FY18-19 and FY19-20 state budgets. There are two unknown state budgets in this forecast period covering three fiscal years.

Important Reminder: Our funding status for the FY18-21 will depend on two (2) new state budgets. HB49 the current proposed new state budget for FY18 & FY19 will not be known until late June 2017. We must file this forecast before May 31, 2017 which is before we will know what changes will be officially made to school funding. In addition, another state budget will be legislated beginning in Spring 2019 which will also affect our funding for the future. Our revision to the October 2017 forecast will capture the changes made in HB49

In FY14-15, HB59 created the fourth (4th) new funding formula for public education since 2009. HB64 the state FY16-17 state budget made alterations to the funding formula and added several new components. The new funding formula is very complex and could change again with the new FY 18-19 or FY19-20 state budgets. The funding formula in HB64 has a modified State Share Index (SSI) method to measure a district's wealth and capacity to raise local revenue.

The SSI is applied to the per pupil opportunity grant calculation and many of the other categorical funding items in the state foundation formula as noted below:

1. Opportunity Grant – Per pupil amount increased 1.7% from $5,800 in FY15 to $5,900 in FY16 and 1.7% to $6,000 in FY17
2. Targeted Assistance – Tier I based on wealth and Tier II based on percentage of district agricultural assessed value
3. Special Education Additional Aid – Based on six (6) categories of disability
4. Limited English Proficiency – Based on three (3) categories based on time student enrolled in schools
5. Economically Disadvantaged Aid- Based on number and concentration of economically disadvantaged students
6. K-3 Literacy Funds- Based on districts K-3 average daily membership and two Tiers
7. Gifted Funds –Based on average daily membership at $5.05 in FY16 & FY17
8. Career-Technical Education Funds – Based on career technical average daily membership and five (5) categories students enrolled
9. Transportation Aid – Funding based on total ridership rather than qualifying ridership in determining statewide cost per rider reduces state minimum share from 60% to 50%.

There are several new funding components provided in HB64 for FY16 &17. These are additional funds that can be earned by a district or is intended to help a district who has an undo burden or inability to raise local revenue.

1. Capacity Aid – Provides additional funding for districts where income generated for one mill of property tax is below the state median for what is generated.
2. Transportation Supplement – Provides additional funding for districts with rider density (riders per square mile) less than 35 students in FY16 and 50 in FY17. Provides additional funding based on rider density and the number of miles driven by the school buses.
3. 3rd Grade Reading Proficiency Bonus- Provides a bonus to districts based on third grade reading results.
4. High School Graduation Rate Bonus-Provides a bonus to districts based on high school graduation rates up to approximately $450 per student.

There are potentially 342 independent variables in the SFPR formula. If any of the variables are changed, either independently or in conjunction with other variables, there could be a change to forecasted state aid for FY17-21. Currently, there are still changes being made to the above variables as well as changes that could result once ODE finalizes the calculations from FY16, which is not expected until late February 2017. Our estimates are based on the best information available to us and the most current calculation used by ODE. Changes to our forecasted data could occur if there are large adjustments made by ODE based on the final FY16 reconciliation.

Our current SFPR estimates for FY17 are using FY16 year end adjusted average daily membership (ADM) with projected enrollment increases through FY21. Beginning in FY16 the state changed the way it measures student ADM. Student counts are now updated October 31, March 31, and June 30 of the fiscal year. In most cases the district will not know its actual student funded ADM until the end of June 2017. Our estimate of state aid is based on the most current data we have available to us at the time. We have estimated enrollment growth through FY21 using the most recently completed FutureThink enrollment projection report.

Current calculations indicate our district is a "CAP" funded district for FY17 and we anticipate that we will remain on the CAP throughout this forecast period. The CAP growth rate for FY16 & 17 is 7.5% each year. We believe the district will receive additional funds in FY18 through FY21. We have conservatively estimated an increase in the CAP amount of 5% each year for FY18-21, but this amount could be higher or lower. There is no guidance on the state funding model or increases for the FY18-21 period.

On November 3, 2009 Ohio voters passed the Ohio casino ballot issue. This issue allowed for the opening of four (4) casinos, one each in Cleveland, Toledo, Columbus and Cincinnati. As of March 4, 2013, all four (4) casinos are open for business and generating Gross Casino Tax Revenues (GCR). Thirty-three percent (33%) of the gross casino revenue will be collected as a tax. School districts will receive 34% of the 33% GCR that will be paid into a student fund at the state level. These funds will be distributed to school districts on the 31st of January and August each year which began for the first time on January 31, 2013.

The initial student payment to schools in January 2013 (FY13) was a half year payment of $21.00 per pupil that increased to $51.50 per pupil for a full year in FY14 and $50.50 in FY15. The state indicated recently that the original 2009 estimates of $1.9 billion of GCR may be closer to $900 million as revenues from casinos are not growing robustly as originally predicted. Actual numbers generated for FY16 statewide were 1,792,947 students at $51.34 per pupil. For FY17-21 we estimated another 3 tenths of 1% decline in pupils to 1,789,000 and GCR increasing to $89.2 million or $49.85 per pupil. We will increase estimates for out years if actual casino revenues show signs of stronger increases.

Presently, despite being designated as a CAP district with minimal increase in funding, our District continues to receive less State aid than chartered non-public schools in Ohio.

A) Unrestricted State Foundation Revenue BRIDGE Form – Line #1.035

Source	FY17	FY18	FY19	FY20	FY21
Basic Aid-Unrestricted	$3,215,482	$3,460,775	$3,636,051	$3,820,057	$4,013,226
Additional Aid Items	$282,290	$282,290	$282,290	$282,290	$282,290
Basic Aid-Unrestricted Subtotal	$3,497,772	$3,743,065	$3,918,341	$4,102,347	$4,295,516
Ohio Casino Commission ODT	$252,438	$257,584	$262,808	$268,110	$273,492
Total Unrestricted State Aid Line # 1.035	$3,750,210	$4,000,649	$4,181,149	$4,370,457	$4,569,008

B) Restricted State Revenues – Line # 1.040

HB64 continues funding two restricted sources of revenues to school district which are Economic Disadvantaged Funding and Career Technical Education funding. The district began receiving Catastrophic Cost reimbursement for certain special education students in FY16. This reimbursement will continue and will fluctuate with the level of need of those students driving the Catastrophic Cost. We have incorporated these amounts into the restricted aid amount in Line # 1.04 for FY17-21.

Source	FY17	FY18	FY19	FY20	FY21
Economically Disadvantage Aid	$356	$356	$356	$356	$356
Catastrophic Aid	$114,720	$115,000	$115,000	$115,000	$115,000
Career Tech - Restricted	$2,461	$2,461	$2,461	$2,461	$2,461

C) Restricted Federal Grants in Aid – line #1.045

There are no restricted federal funds projected for the forecast period.

SUMMARY	FY17	FY18	FY19	FY20	FY21
Unrestricted Line # 1.035	$3,750,210	$4,000,649	$4,181,149	$4,370,457	$4,569,008
Restricted Line # 1.040	$117,817	$117,817	$117,817	$117,817	$117,817
Restricted Fed. SFSF /EdJobs #1.045	$0	$0	$0	$0	$0
Total State Foundation Revenue	$3,868,027	$4,118,466	$4,298,966	$4,488,274	$4,686,825

Property Tax Allocation Line 1.050

A) Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from the State of Ohio for tax credits given owner occupied residences equaling 12.5% of the gross 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 29, 2013 which is the effective date of HB59. HB66 the FY06-07 budget bill previously eliminated 10% rollback on Class II (commercial and industrial) property.

Homestead Exemptions are also credits paid to the district from the state of Ohio for qualified elderly and disabled tax payers. In 2007 HB119 expanded the Homestead Exemption for all seniors 65 years of age or older or who are disabled regardless of income. Effective September 29, 2013 HB59 changed 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 qualifications. 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 qualification. This will slow the growth of homestead reimbursements to the district, and as with the rollback reimbursements above, increase the taxes collected locally from taxpayers.

B) Tangible Personal Property Reimbursements – Fixed Rate

The district no longer receives any fixed rate reimbursement. HB153, the previous state budget, dramatically changed this revenue as New Albany-Plain Local Schools does not qualify as highly reliant. As a result the district lost $635,202 in TPP fixed rate.

C) Tangible Personal Property Reimbursements – Fixed Sum

The District does not receive any tangible personal property tax fixed sum reimbursements.

Summary of State Tax Reimbursement – Line #1.050

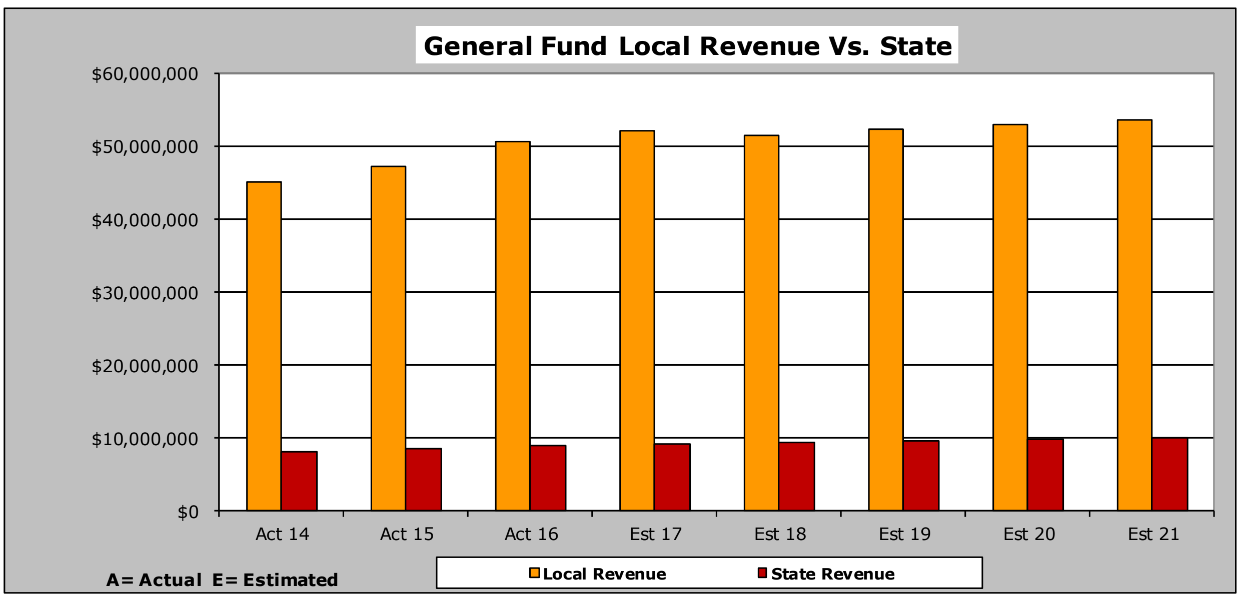
Source	FY17	FY18	FY19	FY20	FY21
Rollback and Homestead	$5,225,932	$5,231,630	$5,260,859	$5,284,011	$5,307,236
TPP Reimbursement - Fixed Rate	$0	$0	$0	$0	$0
TPP Reimbursement - Fixed Sum	$0	$0	$0	$0	$0
Total Tax Reimb./Prop Allocations Line #1.050	$5,225,932	$5,231,630	$5,260,859	$5,284,011	$5,307,236

Other Local Revenues – Line #1.060

Revenues from all other sources are based on historical growth patterns. This revenue largely consists of income tax sharing revenue and pay-to- participate fees as well as some rental income, tuition payments, and investment income. The income tax sharing portion is projected to decrease based on conversations with the City of New Albany. As abatements begin to expire real estate tax collections will increase as explained in the "Real Estate Value Assumption" section above. This also causes income tax sharing to decrease in accordance with the abatement agreements in place. Based on the recommendation from the Superintendent pay to participate fees have been reduced from $625 HS and $425 MS per sport to $425 and $225 respectively beginning in FY17. The reduction in fees directly impacts the funds collected in Pay-to-Participate fees. All other revenue is expected to remain mostly stable during the forecast period.

Source	FY17	FY18	FY19	FY20	FY21
Tuition	$601,041	$616,067	$631,469	$647,256	$663,437
Interest	$75,412	$75,412	$75,412	$75,412	$75,412
Income Tax Sharing	$3,262,000	$2,876,667	$2,676,667	$2,576,667	$2,526,667
Other Income and rentals	$777,588	$796,037	$814,948	$834,332	$854,200
Total Line # 1.060	$4,716,041	$4,364,183	$4,198,496	$4,133,667	$4,119,716

Comparison of Local Revenue and State Revenue:



Short-Term Borrowing – Lines #2.010 & Line #2.020

There is no short term borrowing planned in this forecast at this time from any sources.

Transfers In / Return of Advances – Line #2.040 & Line #2.050

Returns of advances to other funds from the previous year comprise most of the historical revenue in this category.

All Other Financial Sources – Line #2.060

All other financing sources include the Win-Win payments from the Columbus Public Schools (CPS). The City of Columbus was annexing territory into city limits for water and sewer expansion to undeveloped land, the law states that CPS would annex that property as well. Since some of the districts had development underway and were anticipating the tax revenue from those new parcels, there was an agreement struck between the affected suburban schools and CPS. The suburban schools would protect certain properties while the City annexed any undeveloped property and the schools would not lose on the undeveloped property. Since the property is more valuable at our tax rate, a portion of that value is calculated and trended for inflation and paid to CPS. The suburban schools protected property would pay a portion of the value of that land to CPS for not annexing the property and that is the beginning of the Section 10 payments or Win-Win. The District has reached out to CPS to modernize the Win Win agreement and its impact to district finances.

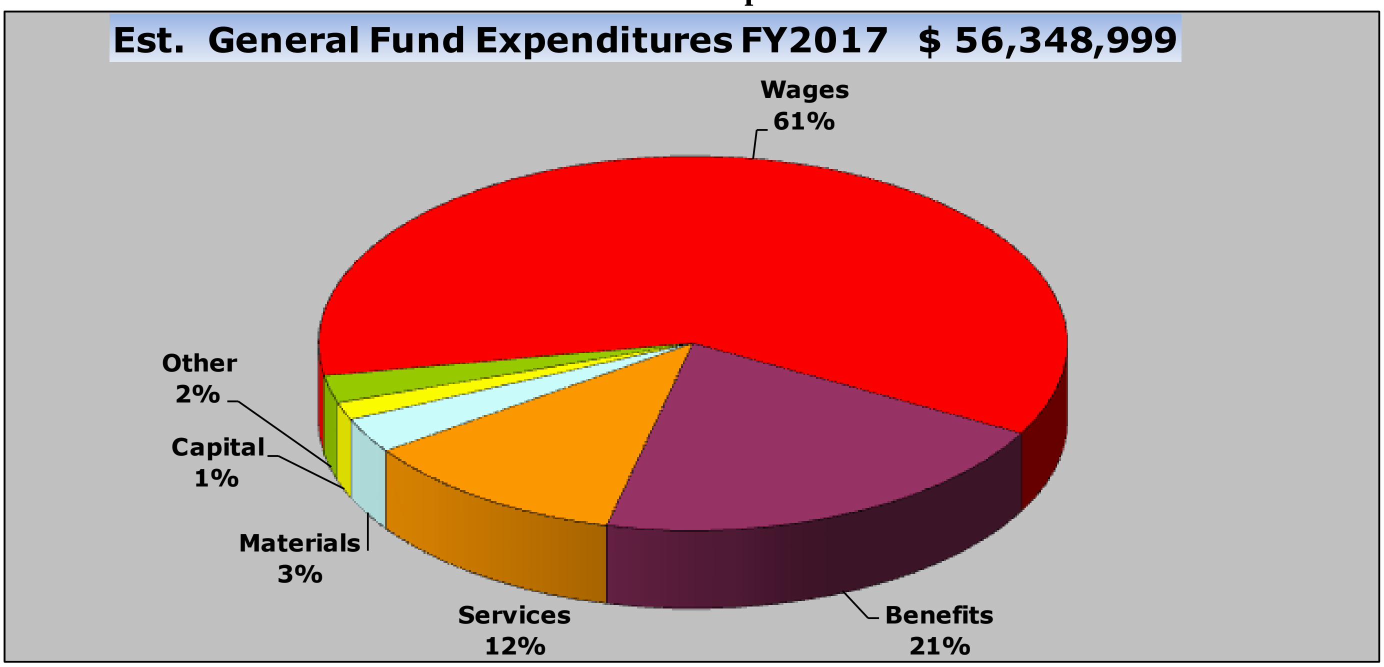
The district also receives income tax sharing revenue from agreements with the City of New Albany. As those agreements expire the property value will roll onto the tax duplicate and the income tax sharing will cease. In most instances the commercial real estate collected is slightly higher than the revenue from the income tax sharing agreements.

The district has also expanded its All-Day Kindergarten program which is a tuition based program.

Source	FY17	FY18	FY19	FY20	FY21
Tuition	$601,041	$616,067	$631,469	$647,256	$663,437
Interest	$75,412	$75,412	$75,412	$75,412	$75,412
Income Tax Sharing	$3,262,000	$2,876,667	$2,676,667	$2,576,667	$2,526,667
Other Income and rentals	$777,588	$796,037	$814,948	$834,332	$854,200
Total Line # 1.060	$4,716,041	$4,364,183	$4,198,496	$4,133,667	$4,119,716

Expenditures Assumptions

Estimated General Fund Expenditures for FY17



Wages – Line #3.010

The model reflects 0% base increase in FY16-FY17 as negotiated and 1% in base salary increases in FY18-FY21 for planning purposes. This agreement also reflects no step movement for all employees with salary schedules in FY16. Those employees received a one-time payment in lieu of the step of $2,000 for PLEA (teacher union) and $450 for OAPSE (non-teaching union) members. The FY15 increase reflects the PLEA/OAPSE negotiated agreements which included both certified and non-teaching union members returning to their FY11 and FY12 salary indexes respectively beginning in FY15. The district included an average step increase of 3.05% for certified and 1.73% for classified bargaining unit members in FY17-FY21. Future negotiations can effect these assumptions. The current negotiated agreements expire on June 30, 2017.

Due to the unsuccessful 6.9 mill continuing operating levy in November 2014 the district implemented a 8.0 million reduction plan as approved by the Board of Education at its September 22, 2014board meeting. The district's enacted plan included the reduction in force, or lay off, of over 100 employees. Pay-to-participate was increased in order to offset the coaches supplemental and associated payroll taxes. This fee was decreased in FY17 from $625 HS and $425 MS per sport to $425 and $225 respectively. The expenditure continues to be shown in this line while the offsetting revenue is shown in the Other Revenue line above. New hires have been included in FY17-FY21 for growth and critical need areas as determined by the Superintendent.

The Board of Education also implemented a financial goal of reducing current year (FY17) expenditures by $560,000. This has been accomplished in reduced spending in several lines of the forecast with the major reductions taking place in Personnel Services and Fringe Benefits. The majority of these reductions were accomplished through reduced costs associated with attrition.

Source	FY17	FY18	FY19	FY20	FY21
Base Wages	$30,621,609	$31,885,238	$34,215,481	$36,161,166	$38,101,983
Increases	$0	$318,852	$342,155	$361,612	$381,020
Salary Adjustments/One Time Payments	$1,037,250	$866,114	$895,946	$927,569	$927,569
Supplemental	$1,062,310	$1,072,933	$1,083,662	$1,094,499	$1,105,444
Temporary/Extended Days/Student/Extra	$875,000	$896,875	$919,297	$942,279	$965,836
New Hires/Adjustments	$914,379	$1,145,277	$707,584	$651,636	$658,152
Severance	$100,000	$100,000	$100,000	$100,000	$100,000
Professional Development and Innovation Stipends	$135,000	$135,000	$135,000	$135,000	$135,000
Staff Reductions/Turnover Reductions	-$500,000	$0	$0	$0	$0
Total Wages Line 3.010	$34,245,548	$36,420,289	$38,399,125	$40,373,761	$42,375,004

Fringe Benefits Estimates Line 3.02

This area of the forecast captures all costs associated with benefits and retirement costs, which all except health insurance being directly related to the wages paid. The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System (STRS) or the School Employees Retirement System (SERS) as required by Ohio law.

A) STRS/SERS

As required by law the BOE pays 14% of all employee wages to STRS or SERS. In addition, SERS announced on April 5, 2010 that they are going to require districts to pay SERS on a current fiscal year basis and not six months in arrears which has been the case since 1987 when districts moved from calendar year to fiscal year. We have taken the 1/6 additional costs per year for 6 years catch up provision. This cost is $38,000 each year through FY16. STRS/SERS is directly affected by salary increases and decreases.

B) Insurance

FY17-FY21 includes a 5% premium increase based on negotiated agreement caps. The 5% cap means that should the District receive a premium increase above 5% the insurance committee will convene to evaluate what changes can be accomplished to reduce the increase to at or below 5% before increasing employee costs for insurances beyond the 5% cap.

Note: Patient Protection and Affordable Care Act (PPACA) Costs- the **Patient Protection and Affordable Care Act** (**PPACA**) commonly called the Affordable Care Act (ACA), is a United States federal statute signed into law by President Barack Obama on March 23, 2010. Together with the Health Care and Education Reconciliation Act, it represents the most significant regulatory overhaul of the country's healthcare system since the passage of Medicare and Medicaid in 1965.

C) Workers Compensation & Unemployment Compensation

The anticipated premium rate is expected to decrease to 1% due to the district’s participation in the retrospective rating program for workers’ compensation; however this expense will continue to increase as salaries increase.

D) Medicare

Medicare will continue to increase at the rate of increases in wages. Contributions are 1.45% for all new employees to the district on or after April 1, 1986. These amounts are growing at the general growth rate of wages.

Summary of Fringe Benefits – Line #3.020

Source	FY17	FY18	FY19	FY20	FY21
STRS/SERS	$5,232,200	$5,563,120	$5,875,111	$6,180,745	$6,490,030
Health Insurances	$5,678,983	$6,466,987	$6,931,853	$7,408,773	$7,910,842
Workers Compensation and Unemployment Comp	$203,487	$215,775	$226,955	$238,112	$249,419
Medicare	$488,181	$519,380	$547,677	$575,915	$604,533
Other	$60,054	$60,054	$60,054	$60,054	$60,054
Total Line 3.020	$11,662,905	$12,825,316	$13,641,650	$14,463,599	$15,314,878

Purchased Services – Line #3.030

An increase of 3% based on historical trend is being estimated for this category of expenses as well as increases in special education costs. Utility increases are expected to increase at 5%. Increases for College Credit Plus and the opening of Marburn Academy have been included in FY17.

Source	FY17	FY18	FY19	FY20	FY21
Base Services	$1,390,353	$1,367,064	$1,408,076	$1,450,318	$1,493,828
ESCCO, Spec Ed, Legal, ITC-Data Processing	$2,696,634	$2,723,600	$2,750,836	$2,778,344	$2,806,127
Community School Deductions	$497,972	$512,911	$528,298	$544,147	$560,471
Other Tuition, Autism Schol, Excess Costs	$622,492	$741,167	$863,402	$889,304	$915,983
Utilities (includes addition of 1-8 building in FY15)	$1,108,057	$1,163,460	$1,221,633	$1,282,715	$1,346,851
Innovation and Professional Development	$365,000	$365,000	$365,000	$365,000	$365,000
Budget Modifications	-$164,682	$0	$0	$0	$0
Total Line 3.030	$6,515,826	$6,873,202	$7,137,245	$7,309,828	$7,488,260

Supplies and Materials – Line #3.040

An overall increase of 2% is being estimated for this category of expenses which include all consumable supplies that are purchased to operate the school district, such as textbooks, paper, cleaning supplies, tires and bus fuel.

Source	FY17	FY18	FY19	FY20	FY21
Supplies	$1,376,043	$1,752,657	$1,787,710	$1,823,464	$1,859,933
New Building	$0	$0	$0	$0	$0
Budget Modifications	$342,248	$0	$0	$0	$0
Total Line 3.040	$1,718,291	$1,752,657	$1,787,710	$1,823,464	$1,859,933

Equipment – Line #3.050

Capital outlay is estimated based on historical trends. The district allowed the permanent improvement levy to expire in 2009. As these funds are depleted the district will need to build capital expenditures into the general fund. The district began to include bus purchases and capital maintenance and technology as a place holder in the general fund. The District prepared a long-range capital improvement plan in FY14 which included $1.9 million in capital maintenance/repairs each year. Focused capital expenses are included in this forecast. This line as reduced by $600,000 in order to transfer funds to Permanent Improvement fund by increasing the Transfers Out line below.

Source	FY17	FY18	FY19	FY20	FY21
Capital Outlay	$650,494	$650,494	$650,494	$650,494	$650,494
Bus Purchases/ Capital Repairs	$210,000	$295,000	$90,000	$90,000	$180,000
Capital Improvements and Technology	$0	$750,000	$500,000	$500,000	$500,000
Budget Modifications	$0	$0	$0	$0	$0
Total Line 3.050	$860,494	$1,695,494	$1,240,494	$1,240,494	$1,330,494

HB264 Note Repayment/Interest and Fiscal Charges – Lines 4.050 and 4.060

The District completed an energy conservation project in 2005 under HB264 legislation. HB264 allows districts to use the energy savings from replacing inefficient HVAC and mechanical systems with energy efficient systems to repay un-voted debt needed to finance the replacements. The District financed these improvements over a 15-year period and will make its final HB264 debt payment in FY20.

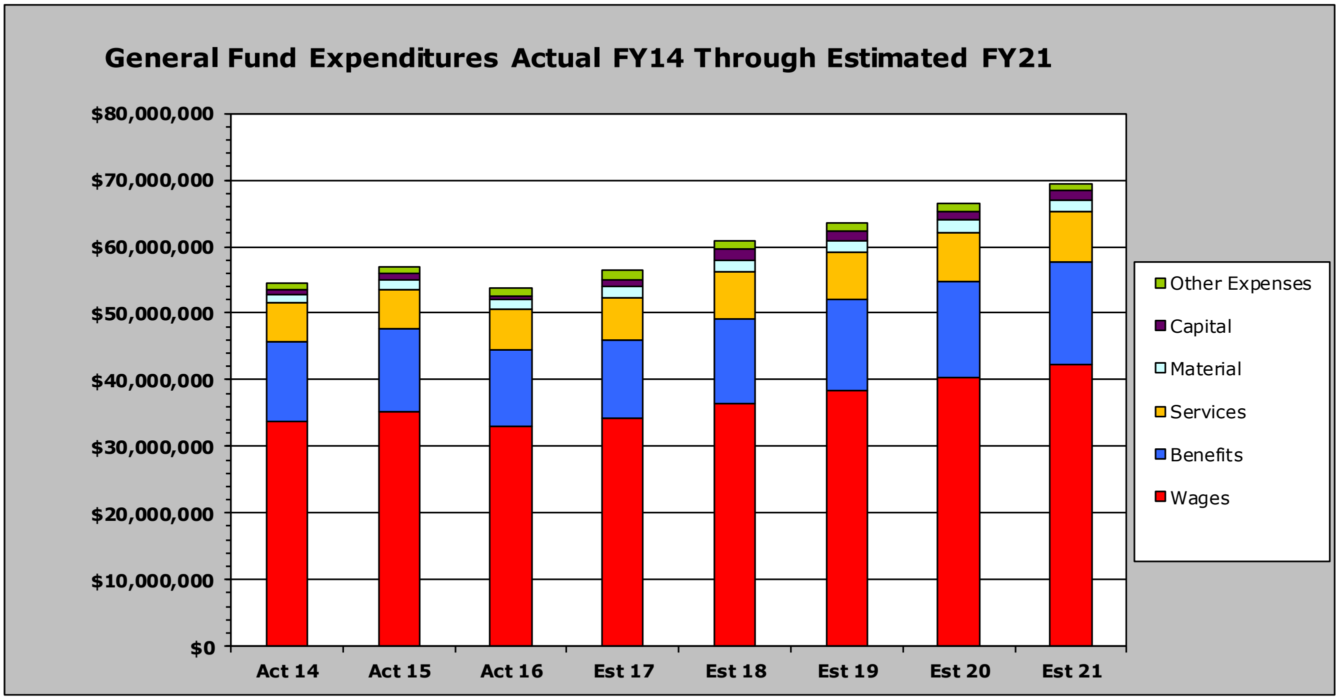
Source	FY17	FY18	FY19	FY20	FY21
HB 264 Principal Total Line 4.050	$205,000	$215,000	$225,000	$235,000	$0

Source	FY17	FY18	FY19	FY20	FY21
Interest on TANS,Loans & HB 264 Line 4.060	$31,100	$22,700	$13,000	$4,700	$0

Other Expenses – Line #4.300
The category of Other Expenses consists primarily of Auditor & Treasurer fees. Auditor and Treasurer Fees will increase anytime a new operating levy is collected. All other expenditures in this line assume a 3% inflation rate.

Source	FY17	FY18	FY19	FY20	FY21
County Tax Fees & Election Costs	$697,896	$704,875	$711,924	$719,043	$726,233
County Board of Education	$30,495	$30,800	$31,108	$31,419	$31,733
Liability Ins, &Other Misc.Costs	$181,444	$183,258	$185,091	$186,942	$188,811
Increased A&T Fees for New Levies	$0	$0	$0	$0	$0
Contingency	$200,000	$200,000	$200,000	$200,000	$200,000
Total Line 4.300	$1,109,835	$1,118,933	$1,128,123	$1,137,404	$1,146,777

Total Expenditure Categories Actual FY14 through FY16 and Estimated FY17 through FY21



Transfers Out/Advances Out – Line #5.010
This account group covers fund to fund transfers and end of year short term loans from the General Fund to other funds until they have received reimbursements and can repay the General Fund. Advances are limited in impact to the General Fund as the amounts are repaid as soon as dollars are received in the debtor fund. Transfers are not repaid to the general fund. This line includes an increase of $600,000 in order to transfer funds to the Permanent Improvement Fund.

Source	FY17	FY18	FY19	FY20	FY21
Transfer Line 5.010	$1,087,094	$496,836	$506,773	$516,908	$527,246
Advances Line 5.020	$0	$0	$0	$0	$0
Total Transfers & Advances	$1,087,094	$496,836	$506,773	$516,908	$527,246

Source	FY17	FY18	FY19	FY20	FY21
All Other Financing Uses (Win Win)- Line 5.030	$520,000	$520,000	$520,000	$520,000	$520,000

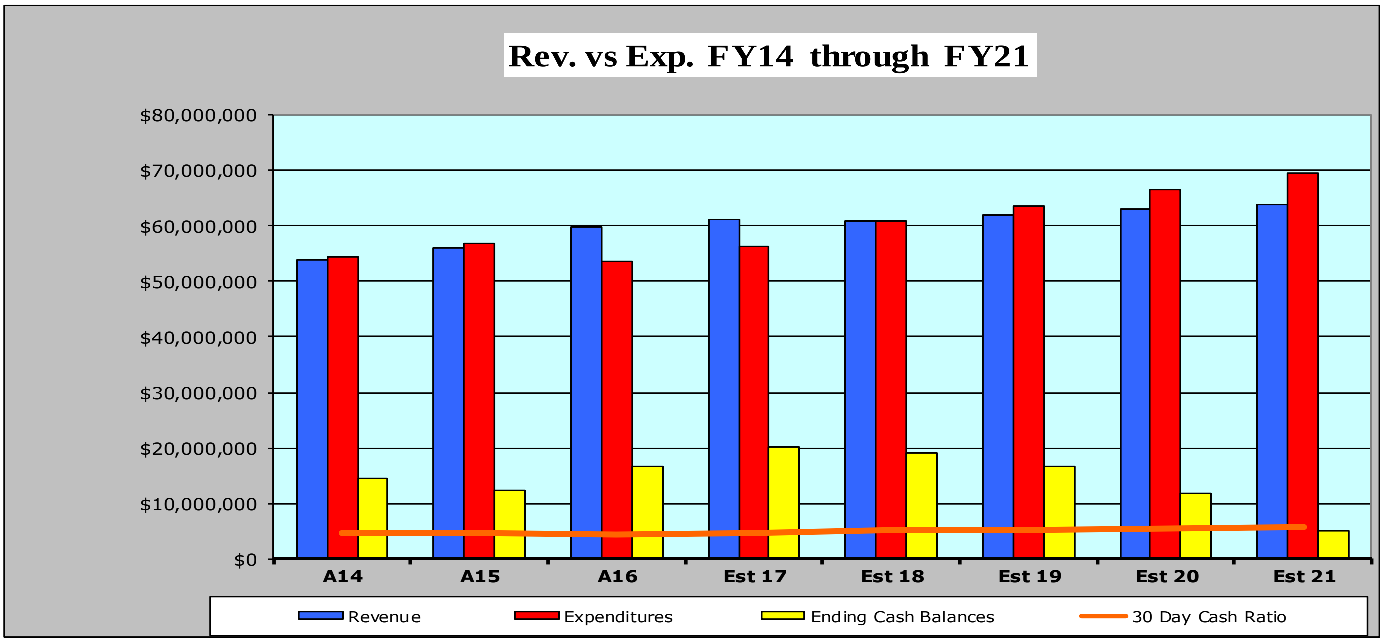
Encumbrances –Line#8.010
These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered. Estimates are based on historic trends.

	FY17	FY18	FY19	FY20	FY21
Estimated Encumbrances	$449,406	$462,888	$476,775	$491,078	$505,810

Ending Unencumbered Cash Balance "The Bottom-line" – Line #15.010
This amount must not go below $-0- or the district General Fund will violate all Ohio Budgetary Laws. Any multi-year negotiated contract which is knowingly signed which results in a negative unencumbered cash balance is a violation of ORC5705.412, punishable by personal liability of $10,000, unless an alternative "412" certificate can be issued pursuant to HB153 effective September 30, 2011.

	FY17	FY18	FY19	FY20	FY21
Ending Cash Balance	$19,622,927	$18,682,789	$16,038,617	$11,353,991	$4,579,926

General Fund Ending Cash Balance



RISK ASSESSMENT

- Revenue does not grow with inflation or enrollment growth due to HB920 and the state funding formula, respectively. This means current programming may not be sustainable without new revenue. Revenue is largely voter approved in an 85% locally funded school district such as New Albany.

- Our district is known as a "CAP" district for FY15-FY21 for state funding. Based on current legislation, being on the CAP in FY16 and FY17 means we received a 7.5% increase in state basic aid each year as well as funding for meeting or exceeding the graduation rate and 3rd grade guarantee metrics.

- We believe the district will receive additional state funds for the period FY18 through FY21. We have estimated an increase in the CAP amount of 5% each year, but this amount could be higher or lower pending the State biennial budget process the outcome of which will not be known until late June 2017.

  Presently, despite being designated as a CAP district with minimal increases in funding, our District continues to receive less State aid than chartered non-public schools in Ohio. The District will continue to work with local legislators to increase our funding to this level.

- Due to the high reliance on local property tax revenue property valuations continue to be a major area of risk given the current economic climate. Franklin County went through an appraisal update in calendar year 2014 to collect in calendar year 2015. The district realized a 4.36% increase in residential and a .4% increase in commercial property values. We believe increases will continue in the next sexennial reappraisal which will occur in CY2017 for collection in CY2018.

- The district has seen an increase in collected delinquent property taxes. This revenue source must also be closely monitored for future fluctuations. The district expects to return to a more normal 95% collection rate from the current FY17 collection rate of 100% at a future date. The district is projecting RE collections at 100% and will monitor and adjust in future years as necessary.

- Utility costs are also a risk factor depending on weather conditions and cost increases from year to year.

- There are many provisions in the current state budget bill HB64 that increased the district expenditures in the form of expanded school choice programs and increases in amounts deducted from our state aid in the 2016-17 school years. The cost of each John Peterson Special Needs voucher and Autism Scholarship Program increased sharply in HB64 from $20,000 each to $27,000, a 35% increase. These are examples of choice programs that cost the district money. Expansion or creation of programs such as these exposes the district to new expenditures that are not currently in the forecast. We are monitoring any new threats to our state aid and increased costs very closely.

- Revenue from the income tax sharing agreement with the City of New Albany is also a potential major risk. The district saw a decrease in this income due to the economic downturn. The district continues a regular dialogue with the City of New Albany leadership for guidance on projecting this revenue source. This revenue source is equal to approximately $3.2 million to New Albany-Plain Local Schools in FY17. This revenue will begin to decrease as abatements roll off in future years as planned. The unabated property value will then transition into real estate values and the related tax collections will be added to the real estate revenue line. The abatement expiration schedule as reported to the district by the City of New Albany has been included in the real estate and other income lines.

- State reimbursements continue to be a risk especially at the beginning of any biennial budget process. Reimbursements such as Homestead and Rollback could be legislated away just as the TPP reimbursement has been. This revenue source is equal to approximately $4.9 million on existing levies to New Albany-Plain Local Schools.

- The district prepared a campus-wide capital improvement plan. These expenditures were historically taken from permanent improvement funds. The District allowed the permanent improvement levy to expire beginning in 2009. Moving forward, these expenditures must be planned for in the general fund unless a PI levy is approved by voters should the board choose to place such a levy on the ballot. The plan estimates $1.9 million each year for potential permanent improvement needs. This plan is not fully funded in this general fund forecast.

- Enrollment growth is a risk to the five-year forecast. As noted on page five (5) of these assumptions, the district realized an addition of 609 students from FY11 to FY15 and expects to gain an additional 152 from FY16 to FY21. Due to the reduction in enrollment from FY15 to FY16 the district has begun using the "Low" enrollment growth estimate for planning purposes. A sharp increase or decrease could have a substantial effect on the ending cash balance and must be monitored closely.

- HB59 eliminated the Rollback exemption on any future new or replacement levy. This means that taxpayers will no longer receive the 12.5% reduction on any new levies. This could make passing any new levy more difficult. This will not effect the total collection for the school district but will shift the tax burden from the State of Ohio onto local taxpayers.

- The district has included increases in purchased services as a result of College Credit Plus that mandates that district's pay 100% of the tuition for current students attending up to 15 credit hours of higher education per semester as well as all course fees and textbooks. This legislation also prohibits districts from charging any type of fee associated with public colleges. We will continue to monitor this expense.

- Patient Protection and Affordable Care Act (PPACA) – We have made allowance for increases in our costs for health care in the forecast based on what we know at this time. Future uncertainty over rules and implementation of PPACA is a risk to district costs. We continue to monitor the rules and implementation as this significant change to health care evolves.

- Negotiated agreements expire June 30, 2017.