

CINCINNATI PUBLIC SCHOOLS

GENERAL FUND, POVERTY BASED ASSISTANCE FUND (PBA) AND STATE FISCAL STABILIZATION FUND (SFSF)

5-YEAR FINANCIAL FORECAST NOTES

October 26, 2009

Dear Reader,

The attached General Fund & State Fiscal Stabilization Fund forecast is based upon years of historical data and a long list of assumptions for revenues and expenditures for the five-year period July 1, 2009 through June 30, 2014.

While this forecast demonstrates a deficit in the 2012 Fiscal Year, it must be understood that by Ohio law, Ohio public schools cannot close the fiscal year in a deficit situation. Further, it must also be understood that reductions, a new levy or a combination of these two must be in place prior to the beginning of the 2012 fiscal year, July 1, 2011. If the deficit in 2012 is not addressed, it will likely result in the school district being declared as being in a Fiscal Emergency, which will result in the appointment of a financial oversight committee to begin oversight of the school district until which time the district can be brought to a balanced budget and begin to repay the resulting debt from the deficit situation. This financial forecast demonstrates what would happen if a school district were allowed to go into a deficit situation.

SUMMARY OF MAJOR ASSUMPTIONS

Major Revenue assumptions include the following:

- Renewal of the district's oldest emergency levy, which is set to expire 12/31/10
- State funding consistent with HB 1, which has a 1% reduction in fiscal year 2010 and an additional 2% reduction in 2011
- Flat lined state funding for fiscal years 2012-2014, in spite of the pending end of Federal State Fiscal Stabilization Funds, beginning with the 2012 fiscal year. The district's share represents \$6.7 million. **See Summary for major concerns.**

Major expenditure assumptions include the following:

- 0% base salary raises
- 2% step salary increases
- Inflationary increases for non-discretionary, non-salary spending through out the forecast
- Inflationary cost increases for discretionary categories for fiscal years 2012 and beyond

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ASSUMPTIONS

The following assumptions are a part of Cincinnati Public Schools' 5-Year Financial Forecast for the period July 1, 2007 through June 30, 2014. Please note that the basis of accounting is cash, not accrual or modified accrual. Thus, timing issues impacting the receipt or disbursement of cash can distort operational considerations.

REVENUES

Local Tax Revenues

Real Estate Revenues

- It is assumed that the \$65 million Emergency Levy due to expire 12/31/10 will be renewed. The levy renewal does not increase tax revenues beyond the current funding level of \$65 million.
- New construction and reappraisal/triennial update percentages of change for each year for residential and commercial/industrial are based upon total taxable value for each class of real estate property for the previous year.
- New construction for residential real estate is estimated at .2% for the 2009 & 2010 tax years and commercial/industrial is estimated at .74% for the same period.
- The reappraisal for residential is estimated at 6% and commercial/industrial at 3% for the 2011 tax year, which is down from the normal 15% and 3.83% respectively. This is down from the October 2007 assumptions and reflects some popular views of what will happen to future values.
- Tax advances
 - Taxes due in August, which is the next fiscal year, can be received early and used in June if necessary.
 - In June 2007, the 2007 fiscal year, the district received and used \$13.1 million in August 2007 tax advances, which were part of the 2008 fiscal year.
 - In June 2009, the district received and used \$15.7 million in tax advances from the August 2009 collections, which is the 2010 fiscal year. This made up the \$15.7 million in tax advances in the 2008 fiscal year, which created a shortage in the 2009 fiscal year.
 - It is forecasted that in June 2011 and each subsequent fiscal year thereafter the district will receive and use \$18.7 million in tax advances.

Tangible Tax Revenues

- In June of 2005 the Ohio Legislature passed Amended House Bill 66, which was signed into law by Governor Taft. House Bill 66 effectively eliminated tangible property taxes through a phase out. General businesses and railroad property will be eliminated by the 2009 calendar year and taxes on telephone and telecommunications property will be eliminated by 2011. These changes are in addition to the phase out process that was enacted for business inventory.

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- Part of this revenue loss is reimbursed to the district from the State of Ohio. These reimbursements can be found as part of Property Tax Allocations which are often collapsed into Other State Revenue categories.
- Per current Ohio law, these reimbursements will begin to be phased out over a seven year period beginning in January 2012, which represents the last half of the 2012 fiscal year.

Other Local Revenues

With the exception of interest earnings, which have decreased as rates have fallen and amounts to invest decreased, other local revenues are expected to continue at their current levels through out the forecasted period.

State Revenues

Foundation Revenues

- The current biennium budget bill, Substitute HB 1, implemented a totally new funding model which is an evidence based model of funding. Where as before two funding components made up for 86% of the state funding, the evidence based model now takes 6 areas of funding to make up 85%. State funding represented 9 areas of funding for the 2009 fiscal year and now covers 24 areas of funding for the 2010 fiscal year. The level of complexity has increased substantially.
- Sub. HB 1 for Cincinnati Public Schools contains a 1% reduction in foundational funding in the 2010 fiscal year, representing approximately a \$1.5 million reduction, and a 2% reduction in the 2011 fiscal year, representing nearly \$3 million more in reductions. Thus, the 2010 fiscal year is reduced \$1.5 million and the 2011 fiscal year is reduced \$4.5 million from 2009 fiscal year levels.
- It is assumed that state funding will be flat funded for fiscal years 2012-2014.
- **Major Concerns: See Summary for major concerns**

Other State Revenues

- This category contains 5 different current forms of miscellaneous revenue the district receives from the state. It includes rollback and homestead reimbursements, school bus funding, \$10,000 tangible tax reimbursement, utility de-regulation reimbursement and the tangible tax overhaul reimbursement as set in HB 66.
- The rollback and homestead reimbursement are reimbursements that the State of Ohio makes to local governments for reductions in taxes that residential homeowners receive. The two components are rollback which contains a 12.5% reduction in property taxes for all home owners. The second is the homestead tax exemption made only to elderly and disabled home owners. Prior to HB 119, the elderly portion of the homestead exemption was based upon income. Now, it is applicable to all elderly homeowners who apply. This change is reflected in the increase of homestead and rollback revenues of \$14.68 million in 2006-07 to

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- \$16.07 million in 2007-08. However, total local tax revenues will decrease by the exact same amount, which result in no net change for each fiscal year.
- School bus funding has been reduced to \$0 because significant reductions have been made in other non-foundational state funding areas and information has not been forthcoming on CPS's funding in this area.
 - In 2007 the district won a law suit against the State of Ohio regarding the arbitrary reduction of the district's student enrollment. The district also prevailed at the Appeals Court level. Unfortunately, the State of Ohio had appealed the ruling to the Ohio Supreme Court. In the fall of last year, the District negotiated a settlement which will result in the district receiving \$1.3 million in 2009, \$1.9 million in 2010 and \$2.4 million in 2011.
 - The \$10,000 tangible tax reimbursement was contained in very old law which provided for an exemption in taxes against the first \$10,000 in tangible tax value. A reimbursement was put into place to assist with loss of this revenue. This tax reimbursement is being phased out.
 - The utility de-regulation reimbursement was put into place to help reimburse government entities for the loss of utility de-regulation which significantly changed the rate on tangible property paid by utilities in Ohio. While this revenue is suppose to phase out, this forecast has the revenue as constant due to a small portion of law interpretation which contains a provision that it can only go down if schools get more state foundation funding. Since we have not received more funding, nor do we expect to receive more during this forecasted period, it is assumed that this will continue at its current level. However, it is very possible that this rule could be changed in subsequent biennium budgets.
 - The tangible tax overhaul reimbursement continues to increase for fiscal years 2008-2012 as set forth in HB 95. As a result, this reimbursement will increase from the \$12,507,720 received in the 2007 fiscal year to an estimated \$30,329,759 in the 2011 fiscal year and then will begin to decrease with the last half of the 2013 fiscal year to an annual total of \$18,144,417.

Federal Revenues

The only Federal revenue which the district receives in the General Fund is for Medicaid reimbursements for medical services provided to qualified low income students covered by Medicaid. The district received \$2.1 million in the 2008 fiscal year and \$3.5 million in the 2009 fiscal year. These revenues are expected to drop to \$1.3 million for fiscal years 2010 and 2011 and then increase to \$4.2 in fiscal years 2012-2014. It will decrease in the 2010 fiscal year because of a delay in funding past due amounts. The increase in 2012-2014 reflects the payment of amounts in areas.

Return of Cash Advances

In fiscal year 2009 the General Fund received \$37.5 in reimbursements from other funds. These reimbursements were to repay cash loans made from General Fund in the 2008 and 2009 fiscal years. The loans to the other funds were necessary because the grants and other funds were facing a negative cash balance during the fiscal year, which is not allowed by Ohio law. As a result, the General Fund loaned sufficient cash to these funds

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and is then reimbursed by those funds when the revenue is received. The “advances out” can be found in the expenditure section under the category “Advances to Fund” which is reported under the summary category of “Non-Operating Other Expenditures”. This is expected to continue into the future at a rate of \$5 million per year.

EXPENDITURES

With the implementation of Sub HB1 and the evidence based model of funding, there are plans to require that school districts conform their budgets and operations to meet the funding model. All day kindergarten is the only requirement being implemented for sure during the 2010 & 2011 fiscal year. Other implementation requirements and timelines will be forth coming with the “rule” writing process at the Ohio Department of Education. Currently, this forecast does not reflect any assumptions as to requirements or timelines and as a result, we will continue to monitor the process and adjust the forecast as required. This is a major concern. **See Summary for more details.**

Salaries

In the summer of 2007, the Cincinnati Public Schools completed negotiations with its different association unions. As a part of those negotiations, significant health care plan changes and premium sharing agreements were reached as well as raises of 1% for 2007 and a 2% for 2008 were agreed to with a re-opener on salaries and benefits in 2009. In January 2009 the district’s six bargaining units came forward with a proposal to take a 0% increase for January 1, 2009 if benefits were maintained at current levels until the next bargaining session for all contracts which expire 1/1/10. The savings in health care costs achieved through the last negotiations paid for nearly all of the cost of base salary raises for the 2007, 2008 and 2009 fiscal years.

Forecast assumptions for salaries:

- Base salaries are assumed to increase by 0.0% in fiscal years 2010-2014.
- The cost of step increases is assumed to continue at its current rate of approximately 2% each year for fiscal years 2010-2014.
- Fiscal year 2008 salaries reflect staffing reductions made in spring of 2007 as did 2009 salaries reflect reductions/realignments in the 2009 budget. Total students were expected to drop by approximately 1,500 in the fall of 2008, which is the 2009 Fiscal Year. However, because of an increase of approximately 1,300 additional students from the level anticipated, the district had to hire approximately 70 additional teachers as well as aids. This forecast reflects a continuation of staffing at these inflated levels into the future.
- While further reductions in staffing are expected in future years, they cannot be quantified at this time. This forecast does not anticipate that these reductions will be large in any one year. The reductions are assumed to be minor adjustments made on a case by case basis rather than “whole sale” reductions as made previously.

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Unusual Salary Cost Shifts

Contained in the October 2008 forecast was an assumption that the district would be successful in its January 1, 2009 negotiations with its bargaining units to require all employees be paid on a 12 month basis. Currently teachers have the option of being paid September through June for teaching or being paid over 12 months. Non-teaching staff are paid as hourly employees and thus are paid as it is earned rather than over a 12 month period. By negotiating through this required payment process, the district would have postponed approximately \$5.88 million dollars in salary payment, which would have been paid prior to 6/30/10 until July and August of 2010.

Now, as a result of not opening negotiations, which resulted in a zero percent base raise effective January 1, 2009, the planned implementation of this cost shift will not take effect with the 2010 Fiscal Year.

However, it is assumed that this will be negotiated in up coming bargaining and will be implemented with the 2011 Fiscal Year. As shown on this forecast, salaries and wages will drop in the 2011 Fiscal Year and then return to normal levels in the 2012 Fiscal Year. As a result, the forecast shows a 2.3% reduction in salary costs in the 2011 Fiscal Year, in spite of a 2% increase in base and step salary increases, and then a 4.2% increase in the 2012 Fiscal Year even though base and step increases only amounted to 2%.

Reclassification of Salary Cost

In the 2008 fiscal year, this forecast demonstrates the reclassification of certain expenditures to a transfer of money to other funds. This transfer is necessary due to the realignment of some school buildings which are using one fund to operate which includes both General Fund and certain Federal Funds. In past years these funds were required to be kept separate for reporting purposes. As a result, salary expenditures in the GF for the 2008 fiscal year reflect a net decrease of 47.5% from 2007 levels. Benefits, supplies, contract services, equipment, etc. were also reduced in the 2008 fiscal year and the “transfer” category increased by \$126,906,570. This is expected to continue through out the forecasted period.

Benefits

Retirement

Retirement costs, 14% of salary, will keep pace with salary costs.

Medicare

Medicare costs are expected to increase at nearly a 15% annual increase. While the amount overall is small relative to the budget, the percentage of increase is estimated high because employees hired prior to 1985 are not required to contribute to Medicare but all employees hired since then must contribute. As a result, the percentage of employees covered continues to grow quickly as senior staff members leave and new employees are hired.

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Health Insurance

Through negotiations the district was able to significantly alter its cost structure for health insurance. The resulting changes amounted to savings/cost avoidance of \$28.4 million during the 2008-2012 fiscal year period.

While health insurance costs are expected to trend about 14% per year during the entire forecasted period, the district costs are expected to increase by 2.4% and 10.4% for fiscal years 2009 & 2010, and then 14% for fiscal periods 2011-2014

Dental Insurance

In January 2008 the district moved to self-insure its dental claims which are estimated to save approximately \$160,000 per year. Beginning in 2009, dental claims began to trend at a 6% increase per year. In September of this year, the district completed a request for proposal for dental insurance. Through this process the district was able to get a fully funded dental program beginning 1/1/10 through 12/31/12 for the same price as the 2009 costs with a cost increase cap of 6% in the 2012 calendar year. Combined with locking in the \$160,000 savings per year by initially going self insured, the RFP has resulted in savings of approximately 6% per year for two years.

Reclassification of Benefit Costs

In the 2010 fiscal year unemployment costs are reclassified from an 856 object of Benefit and Claims to a 280 object Unemployment Compensation.

This forecast also demonstrates the reclassification of certain expenditures to a transfer of money to other funds. This transfer is necessary due to the realignment of some school buildings to using one fund to operate which includes both General Fund and certain Federal Funds. In past years these funds were required to be kept separate for reporting purposes. As a result, benefit expenditures in GF for the 2008 fiscal year reflect a net decrease of 35.7% from 2007 levels. Salaries, supplies, contract services, equipment, etc. will also reflect reductions in the 2008 fiscal year and the “transfer” category will increase by \$126,906,570. This is expected to continue through out the forecasted period.

Contract Services

Contract Services includes such services as legal, educational consultants, data processing, printing, postage, health services, garbage removal, utilities, travel reimbursements, and tuition to charter and other public and non-public schools, tuition vouchers and transportation costs. Management has little control over tuition, related services, such as speech therapy, psychological services, occupational/physical therapy and transportation. These are often driven by the needs of handicapped students, their Individual Education Plans (IEP’s) and tuition for students who attend other schools as a result of court placement, open enrollment, charter/community schools, vouchers and autism scholarships. These costs on a per pupil basis are determined by the special education IEP or by the state. Special education student placement selection is generally driven by availability of space and services provided by other districts or providers, which may be unavailable in Cincinnati Public Schools.

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Inflationary increases for most contract services are estimated to be 5% per year. The exception is tuition costs. Tuition for charter schools is expected to increase at 3% per year beginning in the 2011 fiscal year. Special Education and other tuition costs are anticipated to increase at about 10% per year, which is consistent with historical experience.

The 2010 Fiscal Year reflects the 2010 appropriations, which can vary significantly from actual expenditures in the 2009 fiscal year. This is the result of budgeting decisions for the new fiscal year and can also be the result of restored costs which were temporarily reduced in prior fiscal years through the use of other special funds or purchases that were simply deferred.

Inflationary increases for discretionary contract service categories were eliminated for the 2011 fiscal year but are restored in the 2012 fiscal year and beyond.

Reclassification of Contract Services Costs

This forecast demonstrates the reclassification of certain expenditures to a transfer of money to other funds. This transfer is necessary due to the realignment of some school buildings to using one fund to operate which includes both General Fund and certain Federal Funds. In past years these funds were required to be kept separate for reporting purposes. As a result, contract services expenditures in GF for the 2008 fiscal year reflect a \$2.5 million reduction. Salaries, benefits, supplies, equipment, etc. will also reflect reductions in the 2008 fiscal year and the “transfer” category will increase by \$126,906,570. This is expected to continue through out the forecasted period.

Supplies and Materials

Supplies and materials annual inflation costs are expected to be about 2% during the forecasted period. The 2010 Fiscal Year reflects the 2010 appropriations. In the 2010 fiscal year some categories demonstrate cost increases which exceed the inflationary amounts noted above. This is the result of operating costs being restored which were temporarily reduced in prior fiscal years through the use of other special funds or purchases that were simply deferred.

Inflationary increases for discretionary supply categories were eliminated for the 2011 fiscal year and return to a normal rate of 2% beginning in the 2012 fiscal year.

Reclassification of Supply Costs

This forecast demonstrates the reclassification of certain expenditures to a transfer of money to other funds. This transfer is necessary due to the realignment of some school buildings to using one fund to operate which includes both General Fund and certain Federal Funds. In past years these funds were required to be kept separate for reporting purposes. As a result, supply expenditures in GF for the 2008 fiscal year reflect a \$5.8 million reduction. Salaries, benefits, contract services, equipment, etc. will also reflect

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reductions in the 2008 fiscal year and the “transfer” category will increase by \$126,906,570. This is expected to continue through out the forecasted period.

Capital Outlay- New & Replacement

Capital Outlay annual inflation costs are expected to be about 5% during the forecasted period. The 2010 Fiscal Year reflects the 2010 appropriations. In the 2010 Fiscal Year some categories demonstrate cost increases which exceed the inflationary amounts noted above. This is the result of operating costs being restored which were temporarily reduced in prior fiscal years through the use of other special funds or purchases that were simply deferred.

Inflationary increases for discretionary Capital Outlay categories were eliminated for the 2011 fiscal year and 5% was restored for inflation for fiscal year 2012. There was an increase of \$4.1 million for technology in the 2011 fiscal year to provide for anticipated and planned technology needs. This increase is kept in place during the rest of the forecast.

Reclassification of Equipment Costs

This forecast demonstrates the reclassification of certain expenditures to a transfer of money to other funds. This transfer is necessary due to the realignment of some school buildings to using one fund to operate which includes both General Fund and certain Federal Funds. In past years these funds were required to be kept separate for reporting purposes. As a result, contract services expenditures in GF for the 2008 fiscal year reflect a \$124,000 reduction. Salaries, benefits, contract services supplies, etc. will also reflect reductions in the 2008 fiscal year and the “transfer” category will increase by \$126,906,570. This is expected to continue through out the forecasted period.

Other

“Other” annual inflation costs are expected to be about 5% during the forecasted period. The 2010 Fiscal Year reflects the 2010 appropriations. In the 2010 Fiscal Year some categories demonstrate cost increases which exceed the inflationary amounts noted above. This is the result of operating costs being restored which were temporarily reduced in prior fiscal years through the use of other special funds or purchases that were simply deferred.

Inflationary increases for discretionary “Other cost” categories were eliminated for the 2011 fiscal year and returns to a level of 5% in 2012.

Non-Operating

Non-operating costs are made up of transfers to other funds and advances to other funds. Transfers are the permanent movement of cash from the General Fund to other funds as a result of obligations like debt or items which require that the actual expenditure be made from another fund but that General Fund provides the resources. Advances are temporary cash loans from the General Fund to other funds, which have insufficient cash flows to meet their obligations. These loans will be repaid by the other funds back to General

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Fund at a later time when resources have been received from the designated sources into the other fund.

In 2008, the district transferred \$21,121,671 to the debt fund to pay General Fund debt obligations. Nothing was paid into the district facility maintenance fund. Also, the district advanced \$24,421,037 to other funds of which \$32,515,761 was repaid within the same fiscal year. Thus more was returned to the General Fund than was loaned to other funds reducing the amount owed to the General Fund at the end of the 2008 Fiscal Year as compared to what was owed at the end of the 2007 Fiscal Year.

In 2009, the district transferred \$20,913,648 to the debt fund to pay General Fund debt obligations and \$6 million was paid into the district facility maintenance fund. Also, the district advanced \$40,753,317 to other funds of which \$37,529,717 was repaid within the same fiscal year. Thus less was returned to the General Fund than was loaned to other funds increasing the amount owed to the General Fund at the end of the 2009 fiscal year as compared to what was owed at the end of the 2008 fiscal year.

As for the forecasted period, the district will pay debt of \$20.9 million in fiscal year 2010 and \$20.5 million 2011 and \$7.58 million in fiscal year 2012, 2013 and 2014 assuming the district restructures the General Fund debt. The district issued one year tax anticipation notes in 2008 to postpone the payment of \$4.74 million principal due 6/1/08 for the district Unvoted GO Bonds. In 2009 the district issued a one year note for \$9.645 million to pay the current principal due on the GO Bonds and to pay the \$4.74 million tax anticipation note coming due in June 2009. Because a long term solution has not been resolved, the amounts due for debt payments may change in future years.

In 2008 the district served as a state test site for a new model of allowing General Funds and Federal Funds to be used in one budget to operate school buildings and meet the needs of students. This resulted in the transfer of \$126,906,570 into the pool funds to cover salaries, benefits, contract services, supplies, equipment and other in the 2008 fiscal year. A similar amount was reduced from portions of the regular budget, resulting in a net wash. This process continues each year in the forecast.

In 2009 the district began making transfers into the district's maintenance facility fund again. The amounts were \$6 million in 2009, \$5 million in 2010 & 2011 and \$7 million in 2012 and \$9 million 2013 and 2014, assuming the State of Ohio accepts our proposed plan for making these payments.

ENCUMBRANCES

Encumbrances are similar to an accounts payable in business. Budgetary accounting uses encumbrances as a method to reserve fund balance for future payment of goods and services ordered. In effect, it insures that the district will not spend the funds on something else when it has already been committed for a particular purpose, unlike an accounts payable, which is only established when the goods or services are actually

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received. Since all purchases are required to be encumbered when ordered, the amount of encumbrances at year-end is directly related to the timing of ordering, delivery and subsequent payment of the bill. As a result of these timing issues, the ending encumbrances as of June 30 each year can vary significantly.

As for future years, it is assumed that encumbrances will continue at 2009 fiscal year levels of \$14.6 million. The only impact of a deviation is that if encumbrances increase then expenditures will have decreased from forecasted levels or vice versa. The impact on available funds would zero.

SUMMARY

The assumptions noted above are varied and cover a five-year period. Between now and June 2014 most will change as a result of changing circumstances. However, it should be remembered that a forecast should become a living document that is corrected and adjusted as circumstances change and/or additional information becomes available.

As for the assumptions themselves, there are several possible revenue and expenditure changes that the district may experience which may have a significant impact upon the district's future financial forecasts.

Major Concerns:

- State Funding & Requirements
 - Further reductions may be required in the 2010 fiscal year unless the State of Ohio can fill its 2010 and 2011 fiscal years revenue hole caused by the loss of the Video Lottery Terminals funding this fiscal year, which resulted from an Ohio Supreme Court ruling requesting a vote of the people, which required the delay in the implementation of the program and resulting revenue stream.
 - Further reductions may be required beginning in the 2010 fiscal year as a result of continued decline in State revenue collections
 - State revenue growth may not be sufficient to make up for the loss of the Federal State Fiscal Stabilization Funds when the program expires with the 2011 fiscal year. CPS's portion is \$6.7 million.
 - The State may require through its "rule making" process that portions of the evidence based model of funding be spent only in the areas for which they have been given. This could greatly restrict the Cincinnati Public Schools' funds and would likely result in significant reductions in program and staff as the district attempted to structure to meet these demands.
 - The State of Ohio may not approve the district's proposed Fund 34 Maintenance payment schedule.
- Local
 - The voters may not renew the district's expiring \$65 Million Emergency Levy, which would result in the destruction of the district's program in an

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effort to balance the budget as required by law. However, it is very unlikely that the reductions could be made and the district continues to comply with State requirements and negotiated agreements.

- There is a concern that law suits may be brought over the recent tangible tax changes and that the law suits may result in the elimination of public utility tangible taxes and the loss of an additional \$14.6 million annually in tangible tax revenue. A similar law suit was successful several years ago on a similar tax issue.
- The district currently pays for staff through the ARRA federal funds and the district's Facility Master Plan, the cost for many of whom would likely be returned to General Fund in future fiscal years. An analysis is underway to determine this impact. An update to the forecast is expected in the spring of 2010.
- The City of Cincinnati is currently discussing the elimination or reduction of security resource officers (SRO's), police officers in our buildings, and nurses beginning 1/1/10. An analysis is underway to determine this impact. An update to the forecast is expected in the spring of 2010.

Other Concerns:

- The percentage of local taxes collected vs. delinquencies may either improve or decrease.
- Any savings resulting from the Efficiency Review and the Performance Audit are not included in this forecast.
- While some of the proposed Technology cost increases are covered in this forecast, not all needs are provided for in this forecast.
- The district is concerned that future legislative actions will further reduce revenues or increase costs. Those concerns include the following:
 - Special Education Vouchers would significantly increase costs
 - There are many other legislative issues that raise concern like increases in the Board's share of teacher's retirement which could result in a cost increase of \$3.7 million annually.

Given the nature and size of these possible changes, the district administration will continue to be active in working with the legislature, courts and other individuals/groups for a more favorable district outcome.

This concludes the notes and assumptions associated with the Cincinnati Public Schools District's "5-Year Forecast" dated October 26, 2009

Respectfully submitted,

Jonathan L. Boyd
Chief Fiscal Officer/Treasurer

CINCINNATI CITY SCHOOL DISTRICT
 GENERAL FUND 5 YEAR FORECAST (Incl. PBA)
 2009-2014 Fiscal Years

ADOPTED OCTOBER 26, 2009

	2008-2009 ACTUAL	%	2009-2010 PROJECTED	%	2010-2011 PROJECTED	%	2011-2012 PROJECTED	%	2012-2013 PROJECTED	%	2013-14 PROJECTED
REVENUE DETAIL											
REAL ESTATE TAX											
R.E. Tax Per Calculation	\$206,252,300.00	14.5%	\$236,151,000.00	0.5%	\$237,331,755.00	0.7%	\$239,028,052.00	0.0%	\$239,028,052.00	0.0%	\$239,028,052.00
Reduction from Prior Years June Advance	(\$15,700,000.00)	0.0%	(\$15,700,000.00)	0.0%	(\$15,700,000.00)	19.1%	(\$18,700,000.00)	0.0%	(\$18,700,000.00)	0.0%	(\$18,700,000.00)
R.E. June Advances From Agency Fund	\$15,700,000.00	0.0%	\$15,700,000.00	19.1%	\$18,700,000.00	0.0%	\$18,700,000.00	0.0%	\$18,700,000.00	0.0%	\$18,700,000.00
TOTAL REAL ESTATE TAX	\$206,252,300.00	14.5%	\$236,151,000.00	1.8%	\$240,331,755.00	-0.5%	\$239,028,052.00	0.0%	\$239,028,052.00	0.0%	\$239,028,052.00
PERSONAL PROPERTY TAX	\$28,497,014.69	-38.7%	\$17,461,931.00	-7.6%	\$16,132,841.00	-21.4%	\$12,672,403.00	0.0%	\$12,672,403.00	0.0%	\$12,672,403.00
INVESTMENT REVENUES	\$1,726,400.00	-13.1%	\$1,500,000.00	-25.0%	\$1,125,000.00	0.0%	\$1,125,000.00	0.0%	\$1,125,000.00	0.0%	\$1,125,000.00
OTHER LOCAL REVENUES											
Tuition	\$881,100.00										
Rental	\$0.00										
Classroom Material Fees	\$0.00										
Services, misc.	\$0.00										
Other Local Revenue	\$598,044.79										
Revenue in lieu of taxes	\$6,016,400.00										
TOTAL OTHER LOCAL REVENUES	\$7,495,544.79	8.1%	\$8,100,000.00	0.0%	\$8,100,000.00	0.0%	\$8,100,000.00	0.0%	\$8,100,000.00	0.0%	\$8,100,000.00
STATE FOUNDATION											
PASS Funding	\$66,971,976.91	124.8%	\$150,541,369.96	-2.0%	\$147,530,542.56	0.0%	\$147,530,542.56	0.0%	\$147,530,542.56	0.0%	\$147,530,542.56
Restricted Grants-in-aid (PBA)	\$38,544,712.95	-100.0%	\$0.00	#DIV/0!	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00
Restricted Grants-in-aid	\$46,545,300.00	-100.0%	\$0.00	#DIV/0!	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00
ODE Lawsuite Payments	\$1,346,400.00	40.0%	\$1,885,000.00	28.5%	\$2,423,000.00	-100.0%	\$0.00				
TOTAL STATE FOUNDATION	\$153,408,389.86	-0.6%	\$152,426,369.96	-1.6%	\$149,953,542.56	-1.6%	\$147,530,542.56	0.0%	\$147,530,542.56	0.0%	\$147,530,542.56
OTHER STATE REVENUES											
Homestead/Rollback	\$19,858,200.00	0.7%	\$20,000,000.00	0.5%	\$20,100,000.00	0.7%	\$20,240,700.00	0.0%	\$20,240,700.00	0.0%	\$20,240,700.00
School Buses	\$319,000.00	-100.0%	\$0.00	#DIV/0!	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00
Tangible Reimbursement- \$10,000 exempt	\$354,685.31	-23.0%	\$273,107.69	-23.0%	\$210,292.92	-23.0%	\$161,925.55	-23.0%	\$124,682.67	-23.0%	\$96,005.66
Utility De-Regulation	\$2,606,200.00	-1.1%	\$2,576,520.74	0.0%	\$2,576,520.74	0.0%	\$2,576,520.74	0.0%	\$2,576,520.74	0.0%	\$2,576,520.74
Tangible Tax Reimbursement	\$24,068,900.00	27.4%	\$30,674,607.67	-1.1%	\$30,329,759.00	-20.2%	\$24,210,417.00	-25.1%	\$18,144,417.00	-34.0%	\$11,975,315.22
Catastrophic Special Ed. Reimbursements	\$707,123.09	-1.0%	\$700,051.86	-2.0%	\$686,050.82	0.0%	\$686,050.82	0.0%	\$686,050.82	0.0%	\$686,050.82
TOTAL OTHER STATE REVENUES	\$47,914,108.40	13.2%	\$54,224,287.96	-0.6%	\$53,902,623.48	-11.2%	\$47,875,614.11	-12.7%	\$41,772,371.23	-14.8%	\$35,574,592.44
FEDERAL REVENUES											
OMSP Reimbursement	\$3,535,900.00	-62.5%	\$1,325,465.00	0.0%	\$1,325,465.00	217.6%	\$4,209,225.00	0.0%	\$4,209,225.00	0.0%	\$4,209,225.00
OPERATING REVENUES	\$448,829,657.74	5.0%	\$471,189,053.92	-0.1%	\$470,871,227.04	-2.2%	\$460,540,836.67	-1.3%	\$454,437,593.80	-1.4%	\$448,239,815.00
RETURNED CASH ADVANCES	\$37,529,716.71	0.0%	\$8,000,000.00	0.0%	\$5,000,000.00	0.0%	\$5,000,000.00	0.0%	\$5,000,000.00	0.0%	\$5,000,000.00
TOTAL RECEIPTS - GENERAL	\$486,359,374.45	-1.5%	\$479,189,053.92	-0.7%	\$475,871,227.04	-2.2%	\$465,540,836.67	-1.3%	\$459,437,593.80	-1.3%	\$453,239,815.00

EXPENDITURE DETAIL

	2008-2009 ACTUAL	%	2009-2010 PROJECTED	%	2010-2011 PROJECTED	%	2011-2012 PROJECTED	%	2012-2013 PROJECTED	%	2013-14 PROJECTED
SALARIES											
Steps			2.00%		2.00%		2.00%		2.00%		2.00%
Base			0.00%		0.00%		0.00%		0.00%		0.00%
Total			2.00%		2.00%		2.00%		2.00%		2.00%
111 Certified	\$66,197,124.89	15.1%	\$76,173,387.29	-5.9%	\$71,699,255.04	10.4%	\$79,130,840.14	2.0%	\$80,713,456.94	2.0%	\$82,327,726.08
112 Substitute	\$1,091,261.12	-51.1%	\$533,546.96	3.0%	\$549,553.37	3.0%	\$566,039.97	3.0%	\$583,021.17	3.0%	\$600,511.80
113 Supplemental	\$5,189,839.83	23.8%	\$6,426,630.85	2.0%	\$6,555,163.47	2.0%	\$6,686,266.74	2.0%	\$6,819,992.07	2.0%	\$6,956,391.91
121 Sick Leave Cert.	\$3,183,915.23		\$0.00								
122 Personal Leave Cert.	\$629,557.39		\$0.00								
123 Vacation Leave	\$167,041.20		\$0.00								
124 Holiday Leave	\$3,042,220.42		\$0.00								
125 Professional Leave	\$90,895.20		\$0.00								
127 Jury Duty	\$28,907.97		\$0.00								
129 Other Leave	\$417,502.62		\$0.00								
132 Termination Benefits	\$4,468,661.75	-10.5%	\$4,000,000.00	2.0%	\$4,000,000.00	2.0%	\$0.00	2.0%	\$0.00	2.0%	\$0.00
139 Total Certificated Salaries	\$84,506,927.62	3.1%	\$87,133,565.10	-5.0%	\$82,803,971.87	4.3%	\$86,383,146.84	2.0%	\$88,116,470.18	2.0%	\$89,884,629.79
Steps			2.00%		2.00%		2.00%		2.00%		2.00%
Base			0.00%		0.00%		0.00%		0.00%		0.00%

CINCINNATI CITY SCHOOL DISTRICT
GENERAL FUND 5 YEAR FORECAST (Incl. PBA)
2009-2014 Fiscal Years

ADOPTED OCTOBER 26, 2009

		2008-2009		2009-2010		2010-2011		2011-2012		2012-2013		2013-14	
		ACTUAL	%	PROJECTED	%	PROJECTED	%	PROJECTED	%	PROJECTED	%	PROJECTED	%
Total				2.00%		2.00%		2.00%		2.00%		2.00%	
141	Classified	\$29,457,117.43	22.2%	\$35,989,883.33	2.0%	\$36,709,681.00	2.0%	\$37,443,874.62	2.0%	\$38,192,752.11	2.0%	\$38,956,607.15	
142	Substitute	\$83,813.90	8.9%	\$91,283.88	3.0%	\$94,022.40	3.0%	\$96,843.07	3.0%	\$99,748.36	3.0%	\$102,740.81	
143	Supplemental	\$85,098.04	159.9%	\$221,191.39	2.0%	\$225,615.22	2.0%	\$230,127.52	2.0%	\$234,730.07	2.0%	\$239,424.67	
144	Overtime	\$538,743.07	-34.2%	\$354,629.75	2.0%	\$361,722.35	2.0%	\$368,956.79	2.0%	\$376,335.93	2.0%	\$383,862.65	
151	Sick Leave Class.	\$1,160,097.53											
152	Personal Leave Class	\$266,942.75											
153	Vacation Leave	\$1,286,409.05											
154	Holiday Leave	\$1,218,596.41											
155	Professional Leave	\$1,793.60											
156	Military Leave	\$117.68											
157	Jury Duty	\$6,670.00											
159	Other Leave	\$8,928.49											
162	Termination Benefits	\$176,917.05	182.6%	\$500,000.00	2.0%	\$510,000.00	2.0%	\$520,200.00	2.0%	\$530,604.00	2.0%	\$541,216.08	
171	Compensation Board Members	\$0.00	#DIV/0!	\$85,000.00	0.0%	\$85,000.00	0.0%	\$85,000.00	0.0%	\$85,000.00	0.0%	\$85,000.00	
172	Student Workers	\$74,795.09	-9.2%	\$67,922.77	3.0%	\$69,960.45	3.0%	\$72,059.27	3.0%	\$74,221.04	3.0%	\$76,447.68	
Total Non-Certificated Salaries		34,366,040.09	8.6%	37,309,911.12	2.0%	38,056,001.41		38,817,061.27		39,593,391.51		40,385,299.04	
TOTAL SALARIES		\$118,872,967.71	4.7%	\$124,443,476.22	-2.9%	\$120,859,973.28	3.6%	\$125,200,208.11	2.0%	\$127,709,861.69	2.0%	\$130,269,928.83	
FRINGE BENEFITS													
200	Certified Retirement (STRS)	\$11,279,539.65	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
213	Social Security Medicare	\$1,163,810.15	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
221	Non-Cert. Retirement (SERS)	\$4,354,287.23	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
223	Social Security Medicare	\$447,060.06	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
231	Tuition Reimbursement	\$20,304.45	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
233	Meeting Exp.	\$13,574.29	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
239	Other Reimbursements	\$1,237,910.35	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
241	Medical Insurance	\$14,458,080.29	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
242	Life Insurance	\$168,522.97	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
249	In-Lieu of Health Ins.-Cert	\$204.52	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
251	Medical Insurance	\$5,717,348.78	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
252	Life Insurance	\$64,371.22	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
259	In-Lieu of Health Ins.	\$98,067.73	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
261	Workmans Comp. Certified	\$746,498.87	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
262	Workmans Comp. Classified	\$284,892.29	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
281	Unemployment Compensation	\$238,628.09	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
	PBA Benefits	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
TOTAL FRINGE BENEFITS		\$40,293,100.94	17.0%	\$47,161,798.43	9.3%	\$51,547,845.68	9.6%	\$56,496,438.87	9.6%	\$61,920,097.00	9.6%	\$67,864,426.31	
TOTAL COST OF PERSONNEL		\$159,166,068.65	7.8%	\$171,605,274.65	0.5%	\$172,407,818.96	5.4%	\$181,696,646.98	4.4%	\$189,629,958.69	4.5%	\$198,134,355.15	
CONTRACT SERVICES													
400	Professional Inst. Services	\$3,924,844.02	35.7%	\$5,327,812.16	0.0%	\$5,327,812.16	5.0%	\$5,594,202.77	5.0%	\$5,873,912.91	5.0%	\$6,167,608.55	
411	Instructional Services	\$241,445.84	-22.2%	\$187,881.00	0.0%	\$187,881.00	5.0%	\$197,275.05	5.0%	\$207,138.80	5.0%	\$217,495.74	
412	Instructional Improvement	\$376,042.96	216.4%	\$1,189,675.00	0.0%	\$1,189,675.00	5.0%	\$1,249,158.75	5.0%	\$1,311,616.69	5.0%	\$1,377,197.52	
413	Health Services	\$711,609.70	-26.0%	\$526,686.36	0.0%	\$526,686.36	5.0%	\$553,020.68	5.0%	\$580,671.71	5.0%	\$609,705.30	
414	Staff Services	\$18,110.46	63.8%	\$29,670.00	0.0%	\$29,670.00	5.0%	\$31,153.50	5.0%	\$32,711.18	5.0%	\$34,346.73	
415	Consultants	\$686.42	337.1%	\$3,000.00	0.0%	\$3,000.00	5.0%	\$3,150.00	5.0%	\$3,307.50	5.0%	\$3,472.88	
416	Data Processing	\$875,483.50	-27.9%	\$631,480.00	0.0%	\$631,480.00	5.0%	\$663,054.00	5.0%	\$696,206.70	5.0%	\$731,017.04	
417	Statistical Services	\$0.00	#DIV/0!	\$0.00	5.0%	\$0.00	5.0%	\$0.00	5.0%	\$0.00	5.0%	\$0.00	5.0%
418	Professional & Legal Services	\$810,776.32	52.2%	\$1,234,000.00	5.0%	\$1,295,700.00	5.0%	\$1,360,485.00	5.0%	\$1,428,509.25	5.0%	\$1,499,934.71	
419	Other Purchases Services	\$2,438,053.53	-29.3%	\$1,723,134.63	0.0%	\$1,723,134.63	5.0%	\$1,809,291.36	5.0%	\$1,899,755.93	5.0%	\$1,994,743.73	
422	Garbage Removal	\$1,425,318.99	-11.5%	\$1,261,946.96	5.0%	\$1,325,044.31	5.0%	\$1,391,296.52	5.0%	\$1,460,861.35	5.0%	\$1,533,904.42	
423	Repair/Maint. Service	\$1,507,013.57	10.2%	\$1,660,165.09	5.0%	\$1,743,173.34	5.0%	\$1,830,332.01	5.0%	\$1,921,848.61	5.0%	\$2,017,941.04	
424	Property Insurance	\$33,651.00	4155.2%	\$35,000.00	5.0%	\$1,503,526.92	5.0%	\$1,578,703.27	5.0%	\$1,657,638.43	5.0%	\$1,740,520.35	
425	Rentals	\$1,996,310.00	-86.6%	\$1,431,930.40	0.0%	\$267,090.64	5.0%	\$280,445.17	5.0%	\$294,467.43	5.0%	\$309,190.80	
426	Lease Purchase	\$2,561,690.00	-99.7%	\$267,090.64	0.0%	\$7,078.92	5.0%	\$7,432.87	5.0%	\$7,804.51	5.0%	\$8,194.73	
429	Property Services	\$0.00		\$7,078.92	0.0%	\$0.00	5.0%	\$0.00	5.0%	\$0.00	5.0%	\$0.00	5.0%
431	Travel Certified	\$78,279.62	21.5%	\$95,085.57	0.0%	\$95,085.57	5.0%	\$99,839.85	5.0%	\$104,831.84	5.0%	\$110,073.43	
432	Meeting Certified	\$276,971.09	45.5%	\$402,924.00	0.0%	\$402,924.00	5.0%	\$423,070.20	5.0%	\$444,223.71	5.0%	\$466,434.90	
433	Travel Classified	\$15,768.30	303.7%	\$63,656.00	0.0%	\$63,656.00	5.0%	\$66,838.80	5.0%	\$70,180.74	5.0%	\$73,689.78	
434	Meeting Classified	\$20,129.00	485.5%	\$117,850.00	0.0%	\$117,850.00	5.0%	\$123,742.50	5.0%	\$129,929.63	5.0%	\$136,426.11	
439	Other Travel/Mtgs.	\$0.00	#DIV/0!	\$10,500.00	0.0%	\$10,500.00	5.0%	\$11,025.00	5.0%	\$11,576.25	5.0%	\$12,155.06	
441	Telephone Services	\$696,727.81	56.7%	\$1,091,446.90	5.0%	\$1,146,019.25	5.0%	\$1,203,320.21	5.0%	\$1,263,486.22	5.0%	\$1,326,660.53	

CINCINNATI CITY SCHOOL DISTRICT
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ADOPTED OCTOBER 26, 2009

	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013		2013-14	
	ACTUAL	%	PROJECTED	%	PROJECTED	%	PROJECTED	%	PROJECTED	%	PROJECTED	
443 Postage	\$368,161.84	11.7%	\$411,288.01	5.0%	\$431,852.41	5.0%	\$453,445.03	5.0%	\$476,117.28	5.0%	\$499,923.15	
445 Mail/Messenger Service	\$351,972.01		\$329,417.67	5.0%	\$345,888.55	5.0%	\$363,182.98	5.0%	\$381,342.13	5.0%	\$400,409.24	
446 Advertising	\$138,497.14	-49.6%	\$69,770.00	0.0%	\$69,770.00	5.0%	\$73,258.50	5.0%	\$76,921.43	5.0%	\$80,767.50	
449 Other Communication SVC	\$0.00		\$5,000.00	0.0%	\$5,000.00	5.0%	\$5,250.00	5.0%	\$5,512.50	5.0%	\$5,788.13	
451 Electricity	\$7,500,658.09	9.4%	\$8,207,824.78	5.0%	\$8,618,216.02	5.0%	\$9,049,126.82	5.0%	\$9,501,583.16	5.0%	\$9,976,662.32	
452 Water/Sewage	\$1,191,347.62	-5.7%	\$1,123,813.00	5.0%	\$1,180,003.65	5.0%	\$1,239,003.83	5.0%	\$1,300,954.02	5.0%	\$1,366,001.73	
453 Gas	\$2,536,914.78	36.5%	\$3,462,746.08	5.0%	\$3,635,883.38	5.0%	\$3,817,677.55	5.0%	\$4,008,561.43	5.0%	\$4,208,989.50	
460 Craft/Trade Services	\$0.00	#DIV/0!	(\$24,423.76)	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	
461 Printing	\$617,705.43	-46.6%	\$329,681.47	5.0%	\$346,165.54	5.0%	\$363,473.82	5.0%	\$381,647.51	5.0%	\$400,729.89	
469 Other Craft/Trade Services	\$389,509.42	-65.0%	\$136,231.33	0.0%	\$136,231.33	5.0%	\$143,042.90	5.0%	\$150,195.04	5.0%	\$157,704.79	
471 Tuition to Other Districts In State	\$12,621,757.96	-5.2%	\$11,962,480.00	10.0%	\$13,158,728.00	10.0%	\$14,474,600.80	10.0%	\$15,922,060.88	10.0%	\$17,514,266.97	
474 Excess costs-tuition	\$437,177.07		\$0.00	0.0%	\$0.00	10.0%	\$0.00	10.0%	\$0.00	10.0%	\$0.00	
475 Special Ed tuition	\$1,388,463.62		\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	
477 Open Enrollment Tuition	\$867,504.18		\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	
478 Community Schools/Voucher Tuition	\$53,039,896.86	1.7%	\$53,950,000.00	3.0%	\$55,568,500.00	3.0%	\$57,235,555.00	3.0%	\$58,952,621.65	3.0%	\$60,721,200.30	
479 Other Tuition Payments	\$184,159.47	714.5%	\$1,500,000.00	3.0%	\$1,545,000.00	3.0%	\$1,591,350.00	3.0%	\$1,639,090.50	3.0%	\$1,688,263.22	
481 Contract Transportation	\$0.00	#DIV/0!	\$1,423,555.76	5.0%	\$1,494,733.55	5.0%	\$1,569,470.23	5.0%	\$1,647,943.74	5.0%	\$1,730,340.92	
483 Transportation Other Sources	\$26,997,439.35	-6.8%	\$25,174,625.40	5.0%	\$26,433,356.67	5.0%	\$27,755,024.50	5.0%	\$29,142,775.73	5.0%	\$30,599,914.52	
489 Other Pupil Transportation	\$414,304.47		\$420,010.67	5.0%	\$441,011.20	5.0%	\$463,061.76	5.0%	\$486,214.85	5.0%	\$510,525.59	
491 Field Trips	\$1,155.00	1328.6%	\$16,500.00	5.0%	\$17,325.00	5.0%	\$18,191.25	5.0%	\$19,100.81	5.0%	\$20,055.85	
499 Other Contract Services	\$0.00		\$103,784.82	5.0%	\$108,974.06	5.0%	\$114,422.76	5.0%	\$120,143.90	5.0%	\$126,151.10	
TOTAL CONTRACT SERVICES	\$127,055,536.44	-0.9%	\$125,945,318.86	4.2%	\$131,178,627.47	4.6%	\$137,253,225.24	4.7%	\$143,663,078.45	4.7%	\$150,430,501.17	
500 SUPPLIES/MATERIALS												
510 General Supplies	\$0.00	#DIV/0!	\$0.00	0.0%	\$0.00	2.0%	\$0.00	2.0%	\$0.00	2.0%	\$0.00	
511 Instructional Supplies	\$566,680.25	234.9%	\$1,898,013.47	0.0%	\$1,898,013.47	2.0%	\$1,935,973.74	2.0%	\$1,974,693.21	2.0%	\$2,014,187.08	
512 Office Supplies	(\$6,575.84)	-13745.3%	\$897,290.18	0.0%	\$897,290.18	2.0%	\$915,235.98	2.0%	\$933,540.70	2.0%	\$952,211.52	
513 Teaching Aids	\$34,518.63	155.5%	\$88,200.00	0.0%	\$88,200.00	2.0%	\$89,964.00	2.0%	\$91,763.28	2.0%	\$93,598.55	
514 Nursing Supplies	\$3,374.75	1574.2%	\$56,500.00	0.0%	\$56,500.00	0.0%	\$56,500.00	0.0%	\$56,500.00	0.0%	\$56,500.00	
516 Software Materials	\$0.00		\$531,368.97	0.0%	\$531,368.97	2.0%	\$541,996.35	2.0%	\$552,836.28	2.0%	\$563,893.00	
517 Tests	\$0.00	#DIV/0!	\$45,119.76	0.0%	\$45,119.76	2.0%	\$46,022.16	2.0%	\$46,942.60	2.0%	\$47,881.45	
519 General Supplies	\$18,220.89		\$863,528.00	0.0%	\$863,528.00	2.0%	\$880,798.56	2.0%	\$898,414.53	2.0%	\$916,382.82	
521 New Textbooks	\$979,055.16	-24.1%	\$742,644.87	0.0%	\$742,644.87	2.0%	\$757,497.77	2.0%	\$772,647.72	2.0%	\$788,100.68	
522 Replacement Textbooks	\$0.00		\$11,000.00	0.0%	\$11,000.00	2.0%	\$11,220.00	2.0%	\$11,444.40	2.0%	\$11,673.29	
524 Supplement Textbooks	\$8,441.11	805.4%	\$76,428.59	0.0%	\$76,428.59	2.0%	\$77,957.16	2.0%	\$79,516.31	2.0%	\$81,106.63	
530 Library Books	\$0.00		\$0.00	0.0%	\$0.00	2.0%	\$0.00	2.0%	\$0.00	2.0%	\$0.00	
531 New Library Books	\$0.00		\$39,235.02	0.0%	\$39,235.02	2.0%	\$40,019.72	2.0%	\$40,820.11	2.0%	\$41,636.52	
540 Newspapers/Period/Films	\$0.00	#DIV/0!	\$47,250.00	0.0%	\$47,250.00	2.0%	\$48,195.00	2.0%	\$49,158.90	2.0%	\$50,142.08	
541 Newspapers	\$5,721.76		\$10,300.00	0.0%	\$10,300.00	2.0%	\$10,506.00	2.0%	\$10,716.12	2.0%	\$10,930.44	
545 Films and Filmstrips	\$0.00		\$1,000.00	0.0%	\$1,000.00	0.0%	\$1,000.00	0.0%	\$1,000.00	0.0%	\$1,000.00	
572 Supplies Bldgs. OMR	\$713,825.58	-96.9%	\$22,301.66	2.0%	\$22,747.69	2.0%	\$23,202.65	2.0%	\$23,666.70	2.0%	\$24,140.03	
573 Supplies, Mat. And Repairs of Furniture & Equip.	\$78,013.54		\$104,550.00	2.0%	\$106,641.00	2.0%	\$108,773.82	2.0%	\$110,949.30	2.0%	\$113,168.28	
581 Supplies MV Repair	\$71,473.11		(\$8,757.62)	2.0%	(\$8,932.77)	2.0%	(\$9,111.43)	2.0%	(\$9,293.66)	2.0%	(\$9,479.53)	
582 Fuel Gas/Diesel	\$119,826.24	3.5%	\$124,000.00	5.0%	\$130,200.00	5.0%	\$136,710.00	5.0%	\$143,545.50	5.0%	\$150,722.78	
590 Misc Suppl Supplies/Materials	\$18,929.80	-100.0%	\$0.00	0.0%	\$0.00	5.0%	\$0.00	5.0%	\$0.00	5.0%	\$0.00	
TOTAL SUPPLIES/MATERIAL	\$2,611,504.98	112.5%	\$5,549,972.90	0.2%	\$5,558,534.78	2.0%	\$5,672,461.48	2.1%	\$5,788,862.01	2.1%	\$5,907,795.61	
600 CAPITAL OUTLAY - NEW												
620 Buildings	\$11,232.84		\$26,717.81	0.0%	\$26,717.81	5.0%	\$28,053.70	5.0%	\$29,456.39	5.0%	\$30,929.20	
640 New Equipment	\$1,155,584.25	63.4%	\$1,888,583.47	0.0%	\$1,888,583.47	5.0%	\$1,983,012.64	5.0%	\$2,082,163.28	5.0%	\$2,186,271.44	
644 Computer Equipment	\$0.00		\$47,500.00	0.0%	\$47,500.00	5.0%	\$49,875.00	5.0%	\$52,368.75	5.0%	\$54,987.19	
TOTAL NEW EQUIPMENT	\$1,166,817.09	68.2%	\$1,962,801.28	0.0%	\$1,962,801.28	5.0%	\$2,060,941.34	5.0%	\$2,163,988.41	5.0%	\$2,272,187.83	
700 CAPITAL OUTLAY - REPL.												
Technology	\$0.00	#DIV/0!	\$0.00	0.0%	\$4,128,639.00	0.0%	\$4,128,639.00	6.1%	\$4,378,639.00	0.0%	\$4,378,639.00	
730 Impr. Other Than Bldgs.	\$0.00		\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	
740 Replacement Equipment	\$139,588.09	192.5%	\$408,229.00	0.0%	\$408,229.00	5.0%	\$428,640.45	5.0%	\$450,072.47	5.0%	\$472,576.10	
750 Replacement Vehicle	\$136,932.95		\$149,000.00	0.0%	\$149,000.00	5.0%	\$156,450.00	5.0%	\$164,272.50	5.0%	\$172,486.13	
TOTAL REPLACEMENT	\$276,521.04	101.5%	\$557,229.00	740.9%	\$4,685,868.00	0.6%	\$4,713,729.45	5.9%	\$4,992,983.97	0.6%	\$5,023,701.22	
TOTAL CAPITAL OUTLAY	\$1,443,338.13	74.6%	\$2,520,030.28	163.8%	\$6,648,669.28	1.9%	\$6,774,670.79	5.6%	\$7,156,972.38	1.9%	\$7,295,889.05	
800 OTHER												
841 Dues and Fees	\$117,778.41	54.7%	\$182,246.55	0.0%	\$182,246.55	5.0%	\$191,358.88	5.0%	\$200,926.82	5.0%	\$210,973.16	

CINCINNATI CITY SCHOOL DISTRICT
 GENERAL FUND 5 YEAR FORECAST (Incl. PBA)
 2009-2014 Fiscal Years

ADOPTED OCTOBER 26, 2009

	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013		2013-14	
	ACTUAL	%	PROJECTED	%	PROJECTED	%	PROJECTED	%	PROJECTED	%	PROJECTED	
842 Discounts Earned	(\$141.46)		\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	\$0.00
843 Audit Charge	\$115,224.36	30.2%	\$150,000.00	0.0%	\$150,000.00	5.0%	\$157,500.00	5.0%	\$165,375.00	5.0%	\$173,643.75	
845 County Audit/Treasurer Fee	\$3,772,804.38	8.9%	\$4,107,450.00	8.9%	\$4,471,778.50	5.0%	\$4,695,367.42	5.0%	\$4,930,135.79	5.0%	\$5,176,642.58	
847 Delinquent Land Taxes	\$0.00	#DIV/0!	\$31,500.00	5.0%	\$33,075.00	5.0%	\$34,728.75	5.0%	\$36,465.19	5.0%	\$38,288.45	
848 Bank Charges	\$229,488.43	-12.3%	\$201,375.00	5.0%	\$211,443.75	5.0%	\$222,015.94	5.0%	\$233,116.73	5.0%	\$244,772.57	
849 Other Dues and Fees	\$0.00		\$762.00	5.0%	\$800.10	5.0%	\$840.11	5.0%	\$882.11	5.0%	\$926.22	
851 Liability Insurance	\$506,006.01	40.9%	\$713,000.00	5.0%	\$748,650.00	5.0%	\$786,082.50	5.0%	\$825,386.63	5.0%	\$866,655.96	
852 Accident Insurance	\$55,000.00	0.8%	\$55,415.00	5.0%	\$58,185.75	5.0%	\$61,095.04	5.0%	\$64,149.79	5.0%	\$67,357.28	
855 Fire Insurance	\$257,630.00	43.6%	\$370,000.00	5.0%	\$388,500.00	5.0%	\$407,925.00	5.0%	\$428,321.25	5.0%	\$449,737.31	
856 Benefits and Claims (Unemployment)	\$6,960.00	55.2%	\$10,800.00	5.0%	\$11,340.00	5.0%	\$11,907.00	5.0%	\$12,502.35	5.0%	\$13,127.47	
859 Other Insurance	\$5,764.00	12.8%	\$6,500.00	5.0%	\$6,825.00	5.0%	\$7,166.25	5.0%	\$7,524.56	5.0%	\$7,900.79	
882 Awards and Prizes	\$0.00		\$31,000.00	5.0%	\$32,550.00	5.0%	\$34,177.50	5.0%	\$35,886.38	5.0%	\$37,680.69	
889 Other Awards and Prizes	\$0.00		\$5,000.00	0.0%	\$5,000.00	5.0%	\$5,250.00	5.0%	\$5,512.50	5.0%	\$5,788.13	
899 Miscellaneous Expense	(\$507,824.00)	108.9%	(\$1,060,656.42)	5.0%	(\$1,113,689.24)	5.0%	(\$1,169,373.70)	5.0%	(\$1,227,842.39)	5.0%	(\$1,289,234.51)	
TOTAL OTHER EXPENSES	\$4,558,690.13	5.4%	\$4,804,392.13	8.0%	\$5,186,705.41	5.0%	\$5,446,040.68	5.0%	\$5,718,342.71	5.0%	\$6,004,259.85	
CONTINGENCY			\$1,544,817.00	0.0%	\$3,700,000.00	0.0%	\$3,700,000.00	0.0%	\$3,700,000.00	0.0%	\$3,700,000.00	
TOTAL OPERATING EXPENSE	\$294,835,138.33	5.8%	\$311,969,805.82	4.1%	\$324,680,355.90	4.9%	\$340,543,045.17	4.4%	\$355,657,214.24	4.4%	\$371,472,800.83	
900 NON-OPERATING OTHER EXPENSES												
910 Transfers:												
Debt	\$20,913,648.00	-0.2%	\$20,869,487.50	-1.9%	\$20,469,113.00	-63.0%	\$7,580,237.00	0.0%	\$7,580,237.00	0.0%	\$7,580,237.00	
Fund 598 Pooling Transfers	\$120,421,997.46	7.3%	\$129,165,864.68	3.9%	\$134,203,333.40	3.9%	\$139,437,263.41	3.9%	\$144,875,316.68	3.9%	\$150,525,454.03	
Required Fund 34 OSFC Transfers	\$6,000,000.00	-16.7%	\$5,000,000.00	0.0%	\$5,000,000.00	40.0%	\$7,000,000.00	28.6%	\$9,000,000.00	70.0%	\$15,300,000.00	
TOTAL TRANSFERS	\$147,335,645.46		\$155,035,352.18		\$159,672,446.40		\$154,017,500.41		\$161,455,553.68		\$173,405,691.03	
930 PRIOR PERIOD ADJUSTMENT	\$6,892.81	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	
TOTAL NON-OPERATING EXPENSE	\$147,342,538.27	5.2%	\$155,035,352.18	3.0%	\$159,672,446.40	-3.5%	\$154,017,500.41	4.8%	\$161,455,553.68	7.4%	\$173,405,691.03	
TOTAL BUDGETED EXPENDITURES	\$442,177,676.60	5.6%	\$467,005,158.00	3.7%	\$484,352,802.31	2.1%	\$494,560,545.57	4.6%	\$517,112,767.92	5.4%	\$544,878,491.85	
921 Advances to Other Funds	\$40,753,317.16	-87.7%	\$5,000,000.00	0.0%	\$5,000,000.00	0.0%	\$5,000,000.00	0.0%	\$5,000,000.00	0.0%	\$5,000,000.00	
TOTAL EXPENDED-GENERAL FUND	\$482,930,993.76	-2.3%	\$472,005,158.00	3.7%	\$489,352,802.31	2.1%	\$499,560,545.57	4.5%	\$522,112,767.92	5.3%	\$549,878,491.85	
REVENUE OVER/(UNDER) EXP.	\$3,428,380.69		\$7,183,895.92		(\$13,481,575.26)		(\$34,019,708.90)		(\$62,675,174.12)		(\$96,638,676.85)	
BEGINNING CASH BALANCE	\$18,201,507.99		\$21,629,888.68		\$28,813,784.60		\$15,332,209.34		(\$18,687,499.56)		(\$81,362,673.69)	
ENDING CASH BALANCE	\$21,629,888.68		\$28,813,784.60		\$15,332,209.34		(\$18,687,499.56)		(\$81,362,673.69)		(\$178,001,350.54)	
ENCUMBRANCES	(\$14,523,656.65)		(\$14,523,656.65)		(\$14,523,656.65)		(\$14,523,656.65)		(\$14,523,656.65)		(\$14,523,656.65)	
UNENCUMBERED GENERAL FUND BAL.	\$7,106,232.03		\$14,290,127.95		\$808,552.69		(\$33,211,156.21)		(\$95,886,330.34)		(\$192,525,007.19)	
RESERVE: HB 412 Budget Reserve	\$1,420,826.00		\$1,420,826.00		\$0.00		\$0.00		\$0.00		\$0.00	
AVAILABLE GENERAL FUND BALANCE	\$5,685,406.03		\$12,869,301.95		\$808,552.69		(\$33,211,156.21)		(\$95,886,330.34)		(\$192,525,007.19)	

(1) (1, 3) (1, 2, 3) (1, 2, 3) (1, 2, 3)

- (1) DOESN'T REFLECT POSSIBLE CITY REDUCTIONS FOR NURSES & SRO'S
- (2) DOES NOT REFLECT STAFF POSITIONS TO BE RETURNED FROM ARRA GRANTS OR FMP FUNDS
- (3) ASSUMES RENEWAL OF EXPIRING EMERGENCY LEVY