Five Year Forecast Financial Report

November, 2019

Robert Kuehnle, CFO

Mansfield City Schools

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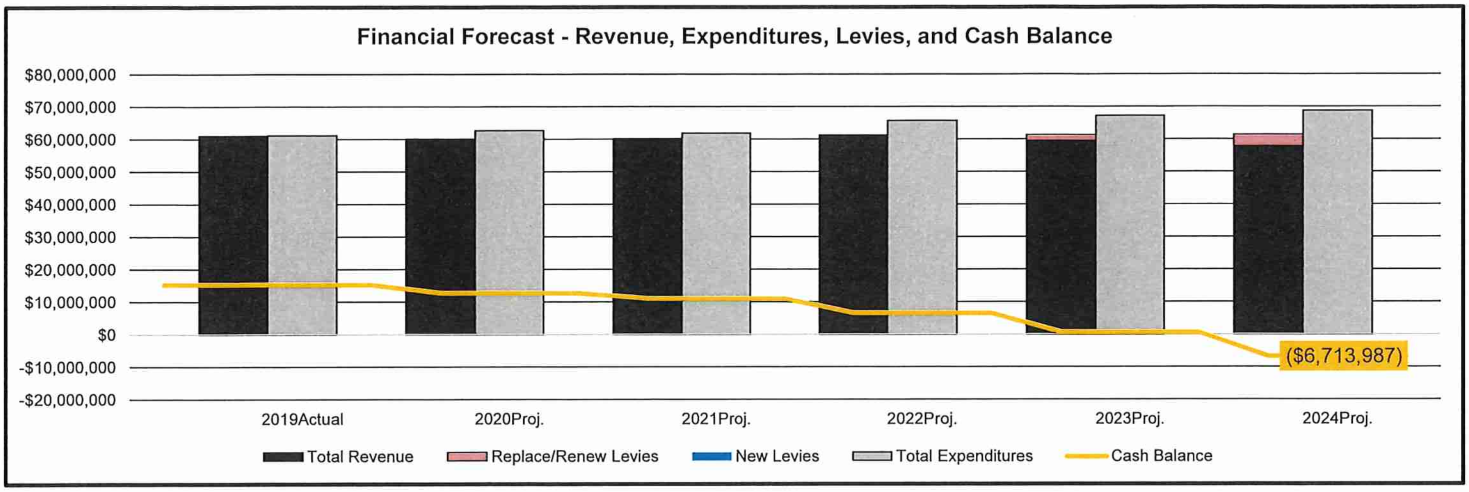
Forecast Purpose/Objectives

Ohio Department of Education's purposes/objectives for the five-year forecast are:

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

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

Forecast Summary



Mansfield City Schools

Financial Forecast	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Beginning Balance	15,688,049	13,083,931	11,387,100	6,914,966	999,327
+ Revenue	60,088,727	60,129,221	61,212,206	59,512,289	57,830,578
+ Proposed Renew/Replacement Levies	-	-	-	1,768,692	3,537,745
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(62,692,845)	(61,826,052)	(65,684,341)	(67,196,620)	(68,731,637)
= Revenue Surplus or Deficit	(2,604,118)	(1,696,831)	(4,472,135)	(5,915,639)	(7,363,314)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	13,083,931	11,387,100	6,914,966	999,327	(6,363,987)

Analysis Without Renewal Levies Included:					
Revenue Surplus or Deficit w/o Levies	(2,604,118)	(1,696,831)	(4,472,135)	(7,684,331)	(10,901,059)
Ending Balance w/o Levies	13,083,931	11,387,100	6,914,966	(769,366)	(11,670,425)

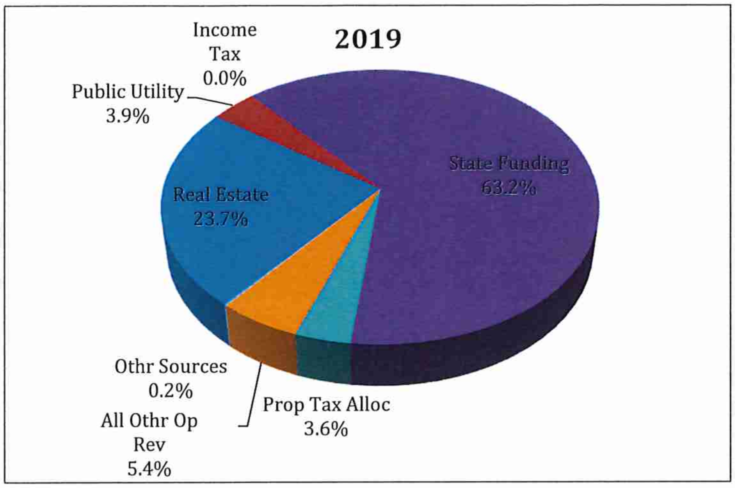
This report shows the General Fund forecast based upon years of historical data and assumptions made as a result of discussions and knowledge of the fiscal and economic conditions through June 2024. The forecast represents the best and most current information available at the time of the board of education's approval. Changes in circumstances and the availability of additional information make this forecast subject to revisions.

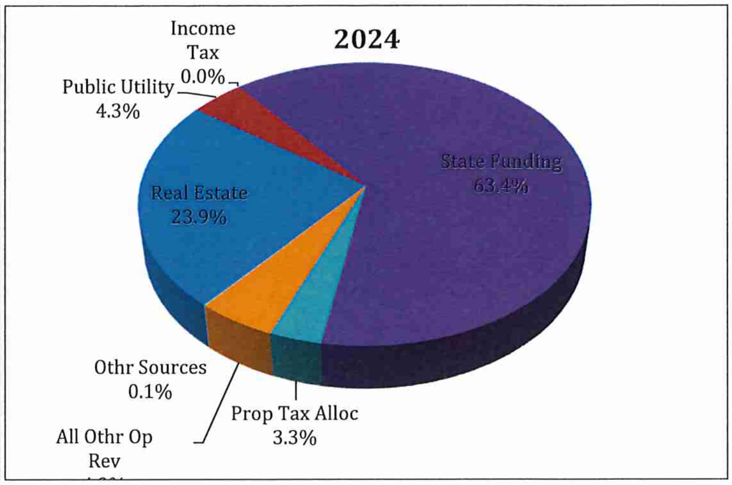
This report is mandated by Ohio Revised Code to forecast five fiscal years. While there are many variables in place, none was more important than the election for Ohio Governor in November 2018. Many of the assumptions in the document are based on the past administrations policies.

The district voters approved two renewal levies that the board of education placed on the ballot in May of 2017. In fiscal year 2023, one of those levies will be up for renewal. To comply with current standards, the district is not allowed to show the renewal of that levy until the voters approve it, which further exacerbates the deficit in the fifth year. This report will go into detail about each line of the forecast and what assumptions are being made based upon the trends the district is seeing.

If you have any questions with regard to the forecast, please contact Robert Kuehnle, Treasurer of Mansfield City School District at 419-525-6400 or by e-mail at Kuehnle.robert@mansfieldschools.org.

Revenue Sources and Forecast Year-Over-Year Projected Overview





**Projected % trends include renewal levies*

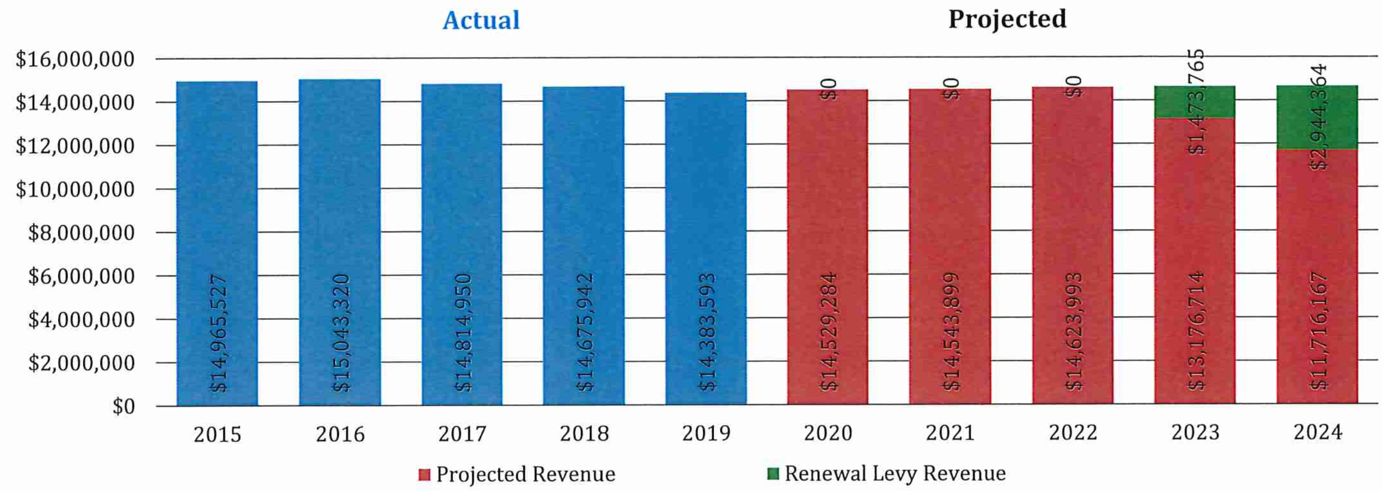
	Prev. 5-Year Avg. Annual Change	PROJECTED Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	5-Year Avg. Annual Change
Revenue:							
1.010-Real Estate	1.44%	1.01%	0.10%	0.55%	0.18%	0.07%	0.38%
1.020-Public Utility	14.10%	5.13%	2.83%	2.70%	2.91%	2.43%	3.20%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	3.21%	-2.14%	-0.01%	2.96%	-0.01%	-0.01%	0.16%
1.040-Restricted Aid	7.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.045-Restr Federal SFSF	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-6.87%	-2.76%	-2.87%	-3.66%	-2.26%	-0.11%	-2.33%
1.060-All Other Operating	7.44%	-11.00%	0.62%	0.64%	0.65%	0.67%	-1.68%
1.070-Total Revenue	2.91%	-1.48%	0.06%	1.80%	0.11%	0.14%	0.13%
2.070-Total Other Sources	-45.02%	-42.98%	12.57%	0.00%	0.00%	0.00%	-6.08%
2.080-Total w/Other Srcs	1.36%	-1.55%	0.07%	1.80%	0.11%	0.14%	0.11%

The basic revenue for the district has small, subtle changes during the forecast period. The main point to gain from this analysis is the fact that the district's revenue over the next five years is not expected to grow. The forecast projects no new local revenue. Over the past five years, the revenue has grown at a rate of roughly 3% per year.

For the sake of this forecast, it is assumed that the district's enrollment is no longer as vital to the formula funding as in past years. The district does receive student wellness aid but this is not included on the forecast per the Auditor of State's ruling. For fiscal years 2022 to 2024, the forecast assumes the student wellness aid funds will be put back into the general fund.

1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total With Renewal Levies	14,383,593	14,529,284	14,543,899	14,623,993	14,650,479	14,660,531
YOY $ Change	(292,349)	145,691	14,615	80,094	26,486	10,053
YOY % Change	-2.0%	1.0%	0.1%	0.6%	0.2%	0.1%

Percentage of Total Revenue	23.6%	24.2%	24.2%	23.9%	23.9%	23.9%

Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2018	355,266,960	(12,730,880)	44.93	1.07	56.13	0.84	97.3%
2019	357,641,959	2,374,999	45.35	0.42	56.58	0.44	94.3%
2020	370,619,398	12,977,439	44.06	(1.29)	55.61	(0.97)	94.2%
2021	365,435,548	(5,183,850)	44.87	0.81	56.34	0.74	94.2%
2022	366,629,548	1,194,000	44.75	(0.12)	56.15	(0.19)	94.2%
2023	367,664,548	1,035,000	44.63	(0.11)	56.02	(0.13)	94.2%

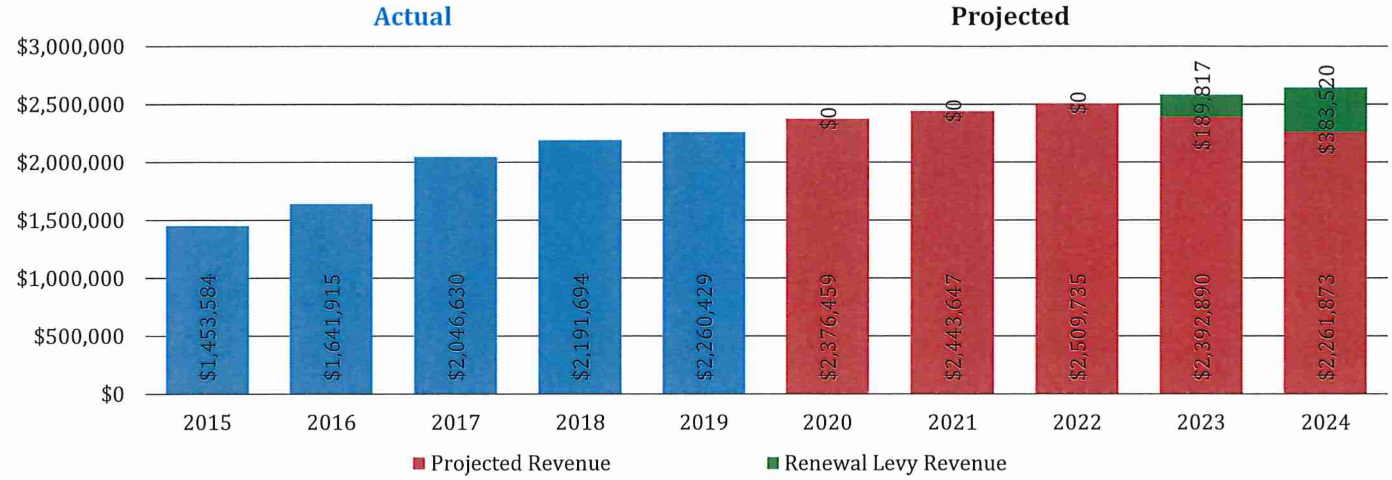
This category makes up 24% of the district's total revenue. Real estate taxes include Class I (residential/agriculture) and Class II (commercial/industrial) property. The Richland County Auditor calculates a value for each property in the school district. That value is then assessed based on the approved tax rates for the area within the school district boundaries. Each county is required to complete a full appraisal of every property every six years with an update in between those reappraisals. Richland County had a complete appraisal in 2011 and an update in 2014. With the updated appraisals completed during the calendar year of 2014, the district experienced a decrease in tax revenue for calendar year 2015 of roughly 4%.

The district is projecting a slight increase in revenue this fiscal year due new construction of properties in Mansfield.
In tax year 2018 (collected in calendar year 2019), the Richland County Auditor certified a 0.13% decrease in new construction for Class I and a .3 % increase in Class II based on construction changes. With regard to board of revision and inflationary changes, the auditor certified a 3.97% decrease for Class I residential and a 2.55 % decrease in Class II. The voters also renewed two different emergency levies on May 2, 2017 which were set to expire at the end of calendar year 2018. Both of these levies bring in roughly $4 million a year, for a total of $8 million dollars a calendar year. With a collection rate around 89%, the district does not receive the entire voted amount. The current amount of delinquent taxes is $4,967,423 as of 6/30/19. It was a priority for the district to secure those sources of revenue for the future. The board of education takes pride that the two levies were approved with a 73% passage rate. In fiscal year 2023, one of those levies will be up for renewal. To comply with current standards, the district is not allowed to show the renewal of that levy until the voters approve it.

**Projected % trends include renewal levies*

1.020 - Public Utility Personal Property

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



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total With Renewal Levies	2,260,429	2,376,459	2,443,647	2,509,735	2,582,707	2,645,393
YOY $ Change	68,735	116,030	67,188	66,088	72,972	62,687
YOY % Change	3.1%	5.1%	2.8%	2.7%	2.9%	2.4%

Percentage of Total Revenue	3.7%	4.0%	4.1%	4.1%	4.2%	4.3%

Values and Tax Rates					Gross Collection Rate
Tax Year	Valuation	Value Change	Full Voted Rate	Change	Including Delinquencies
2018	35,066,810	2,053,050	66.55	0.30	100.0%
2019	36,066,810	1,000,000	67.08	0.53	100.0%
2020	37,066,810	1,000,000	66.58	(0.49)	100.0%
2021	38,066,810	1,000,000	67.02	0.44	100.0%
2022	39,066,810	1,000,000	66.91	(0.11)	100.0%
2023	40,066,810	1,000,000	66.81	(0.10)	100.0%

This category makes up 4% of the district's revenue. Examples of public utilities personal property are gas and electric lines.

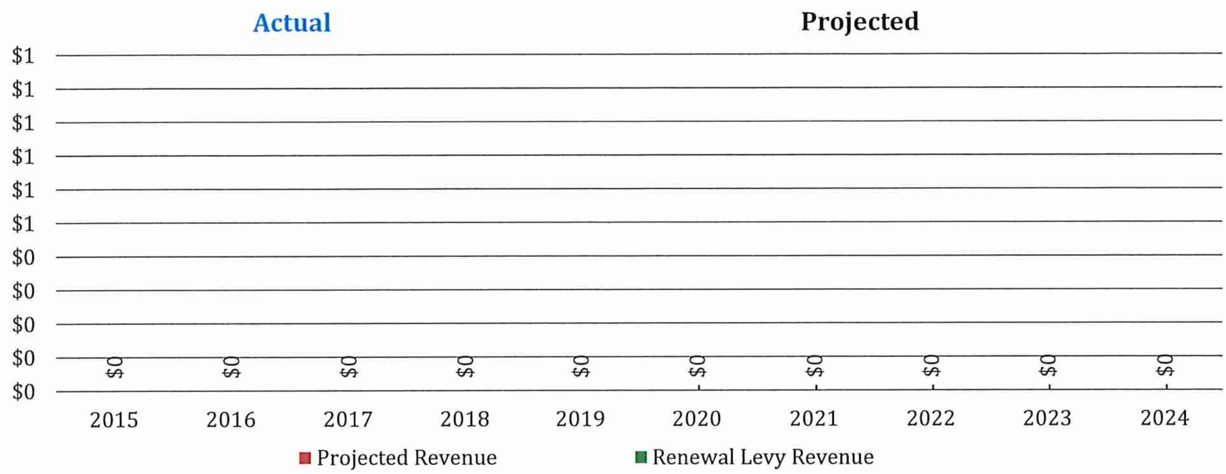
The district did see growth equal to 5% in the last fiscal year but this is still a very small percentage of the district's total valuation. The forecast is projecting minimal growth in this category for the remaining fiscal years. In fiscal year 2023, one of the district's two emergency levies will be up for renewal. To comply with current standards, the district is not allowed to show the renewal of that levy until the voters approve it.

In 2005, House Bill 66 phased out the tangible personal property taxes for businesses. Direct payments made to the district are posted to line 1.050, which is the property tax allocation line.

**Projected % trends include renewal levies*

1.030 - Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	-	-	-	-	-	-
YOY $ Change	-	-	-	-	-	-
YOY % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

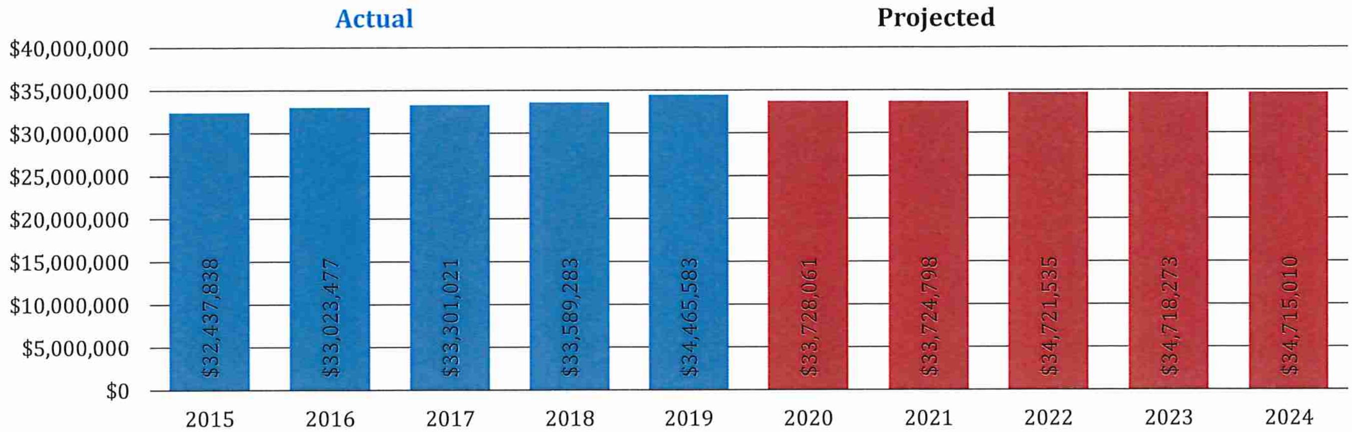
Percentage of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

The district does not have an income tax.

**Projected % trends include renewal levies*

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	Total	33,728,061	33,724,798	34,721,535	34,718,273	34,715,010
YOY $ Change	876,300	(737,522)	(3,263)	996,737	(3,263)	(3,263)
YOY % Change	2.6%	-2.1%	0.0%	3.0%	0.0%	0.0%
Percentage of Total Revenue	56.5%	56.1%	56.1%	56.7%	56.7%	56.6%
Base Aid	36,897,662	36,897,662	36,897,662	36,897,662	36,897,662	36,897,662
Student Wellness Aid		768,533	1,084,098	1,061,510	1,038,921	1,016,333
Supplemental Aid - Wellness & Growing		-	-	-	-	-
Enrollment	3,145	3,074	3,011	2,949	2,886	2,823

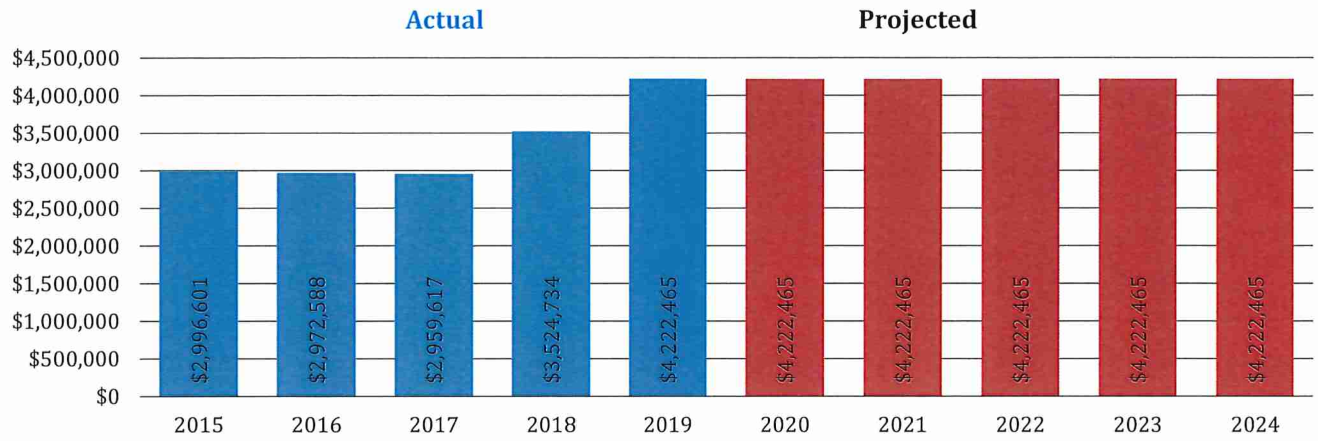
This category makes up 56% of the total revenue of the district. Due to changes in the state foundation formula in 2014, the district has seen gains in the area. For fiscal year 2020 and beyond, the traditional per student funding formula has been replaced with a program that provides the district with the same funding level it received in fiscal year 2019. With the prior formula funding plan, the district was “capped” in the amount of increases but the district was still seeing increases per year.

On the foundation report for fiscal year 2018 (Final #1), the formula ADM decreased 106 students. These were students that were reported to be attending a community school. After an O.D.E. audit, it was determined that those students were not reported properly, therefore they were taken out of the formula enrollment numbers. This explains the inflated revenue number for fiscal year 2019.

For the sake of this forecast, it is assumed that the district's enrollment is no longer as vital to the formula funding as in past years. The district does receive student wellness aid but this is not included on the forecast per the Auditor of State’s ruling. For fiscal years 2022 to 2024, the forecast assumes the student wellness aid funds will be put back into the general fund.
The district is projecting to receive $170,903 ($52.00 per student) in casino revenue for Fiscal Year 2020.

1.040 & 1.045 - Restricted Grants-in-Aid

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



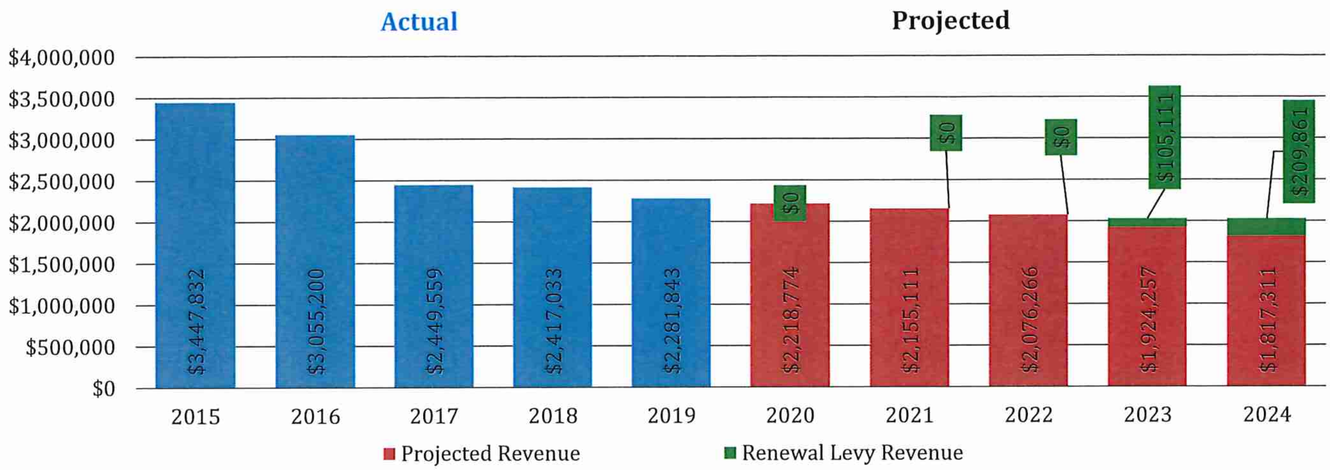
		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	4,222,465	4,222,465	4,222,465	4,222,465	4,222,465	4,222,465
YOY $ Change	697,731	-	-	-	-	-
YOY % Change	19.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	6.9%	7.0%	7.0%	6.9%	6.9%	6.9%

This category makes up 7% of the total revenue for the district. In fiscal year 2014, the new state funding formula designated funds based on economically disadvantaged students. This category is also where the district posts funds received for career and vocational tech classes (weighted funds).

Due to the CEP program, the district experienced an increase in this area with regard to economically disadvantaged student funds. The forecast is projecting these funds will not increase.

1.050 - Property Tax Allocation

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



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total With Renewal Levies	2,281,843	2,218,774	2,155,111	2,076,266	2,029,368	2,027,172
YOY $ Change	(135,190)	(63,069)	(63,663)	(78,845)	(46,898)	(2,196)
YOY % Change	-5.6%	-2.8%	-2.9%	-3.7%	-2.3%	-0.1%

Percentage of Total Revenue	3.7%	3.7%	3.6%	3.4%	3.3%	3.3%

% of Residential Real Estate 10% Rollback	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%
% of Residential Real Estate 2.5% Rollback	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%
% of Residential Real Estate Homestead	8.24%	8.24%	8.24%	8.24%	8.24%	8.24%

This category makes up 3.7% of the district's total revenue. In 2005, House Bill 66 phased out the tangible personal property tax for businesses. Direct payments from the state to reimburse the district for some of that lost revenue are posted on this line. These payments were held constant until Fiscal Year 2015. In fiscal year 2016, the district had a reduction in that payment. In fiscal year 2017, the $365,904 fix-rate portion of the reimbursement was fully phased out by the state.

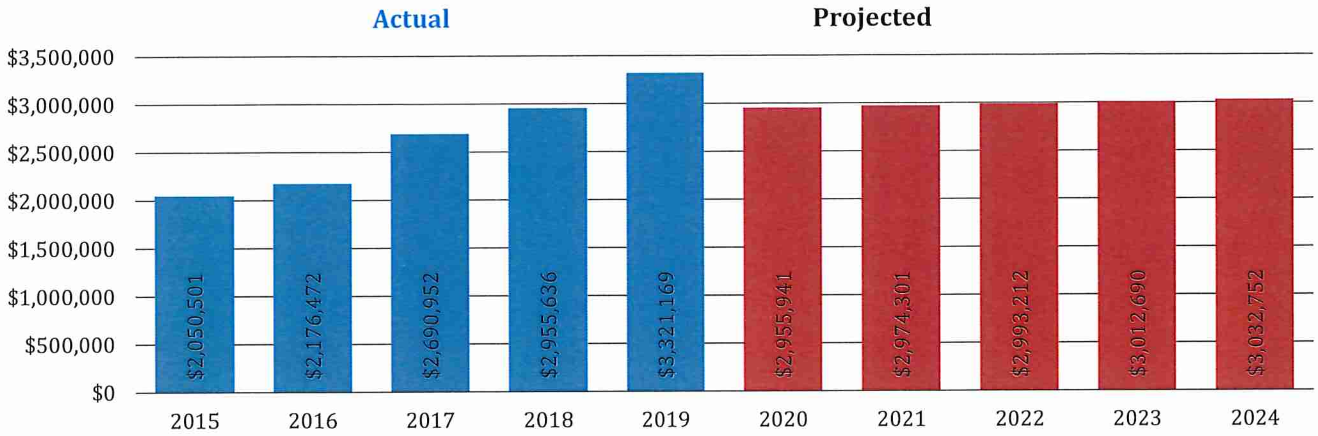
In fiscal year 2019, the district will get a payment of $332,005 for the fixed-sum portion of the reimbursement. That payment will be fully phased out over the next 4 fiscal years. This phase-out explains the decrease in funds received in this category.

This category also includes rollback & homestead payments, which are payments made by the state for credits given to homeowners. These payments are fairly constant over time and the forecast continues to project this trend.

**Projected % trends include renewal levies*

1.060 - All Other Operating Revenues

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



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	3,321,169	2,955,941	2,974,301	2,993,212	3,012,690	3,032,752
YOY $ Change	365,533	(365,228)	18,360	18,911	19,478	20,062
YOY % Change	12.4%	-11.0%	0.6%	0.6%	0.7%	0.7%
Percentage of Total Revenue	5.4%	4.9%	4.9%	4.9%	4.9%	4.9%

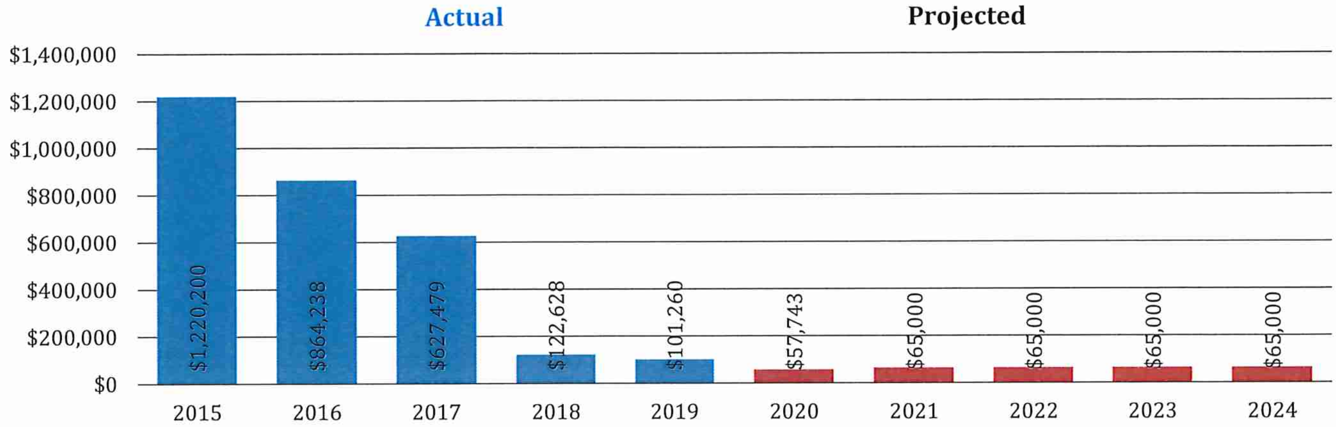
This category represents 5% of the district's total revenue. Any revenue that did not post to a specific line is posted in this category. The forecast projects that open enrollment (incoming students from other districts) numbers will continue at the same levels as fiscal year 2017.

Interest income is also posted to this line item. In considering today's current investment environment and the district's past financial position, this has not been an area of extreme growth. In the spring of 2016, the district took a more aggressive approach to investing. The district projects earning more than $100,000 per year in the forecast based on its new investment strategy.

Fiscal year 2019 revenue was inflated slightly due to the district receiving two Medicaid reimbursements in the same fiscal year. The district does not plan on receiving two payments in the same fiscal year again. The forecast projects very minimal changes for the remaining fiscal years.

2.070 - Total Other Financing Sources

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



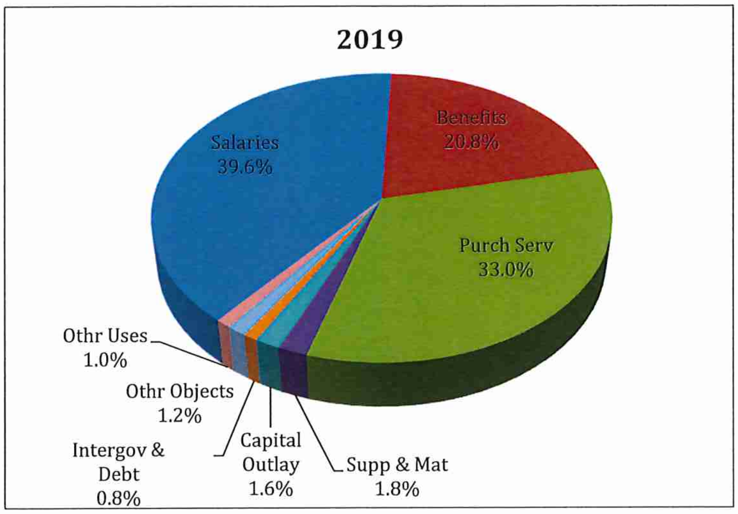
		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	101,260	57,743	65,000	65,000	65,000	65,000
YOY $ Change	(21,368)	(43,517)	7,257	-	-	-
YOY % Change	-17.4%	-43.0%	12.6%	0.0%	0.0%	0.0%

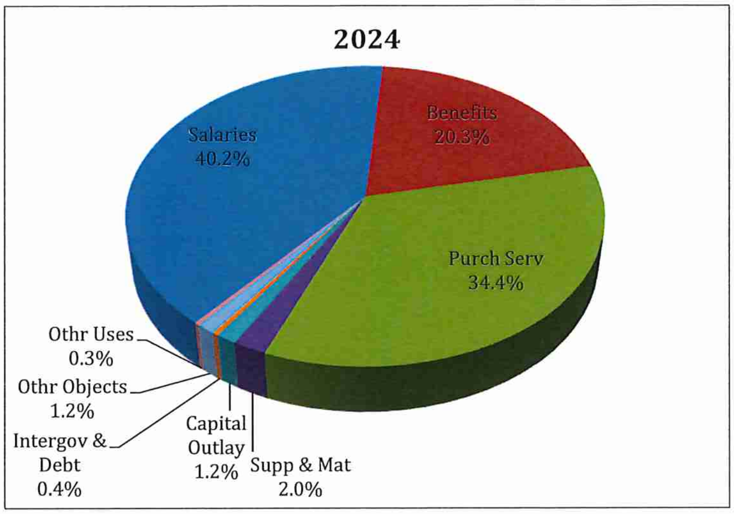
Percentage of Total Revenue	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%

Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-

This category makes up 0.1% of the district's total revenue. This is where corrections and overpayments from the past fiscal year are posted. The district does not expect to apply for any loans during the five-year time frame. Other examples are refunds due to SERS and STRS overpayments, as well as e-rate reimbursements. In fiscal year 2016, the district realized that STRS and SERS were over-collecting retirement payments and refunding large amounts the following year. The district has corrected that issue and does not expect this category to be material going forward.

Expenditure Categories and Forecast Year-Over-Year Projected Overview





	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	
Expenditures:							
3.010-Salaries	-1.16%	4.66%	3.35%	3.24%	1.00%	1.00%	2.65%
3.020-Benefits	2.59%	-1.59%	-4.82%	11.75%	2.32%	2.33%	2.00%
3.030-Purchased Services	3.84%	-0.73%	1.67%	8.74%	3.27%	3.28%	3.24%
3.040-Supplies & Materials	9.73%	15.10%	2.38%	2.39%	2.41%	2.42%	4.94%
3.050-Capital Outlay	27.68%	82.96%	-82.51%	60.75%	34.81%	23.61%	23.92%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	110.82%	-53.37%	-0.77%	0.36%	0.16%	-0.14%	-10.75%
4.300-Other Objects	4.61%	7.14%	0.00%	0.00%	0.00%	0.00%	1.43%
4.500-Total Expenditures	1.52%	2.54%	-1.40%	6.96%	2.31%	2.29%	2.54%
5.040-Total Other Uses	3.71%	-4.00%	0.00%	-66.67%	0.00%	0.00%	-14.13%
5.050-Total w/Other Uses	1.33%	2.47%	-1.38%	6.24%	2.30%	2.28%	2.38%

The expenditure overview for the district is similar to what other districts around the state are experiencing. There are no areas where the district anticipates a large increase based on past years, except capital outlay, which is tied to the Chrome Book one-to-one project. Please see those assumption pages for more in-depth information.

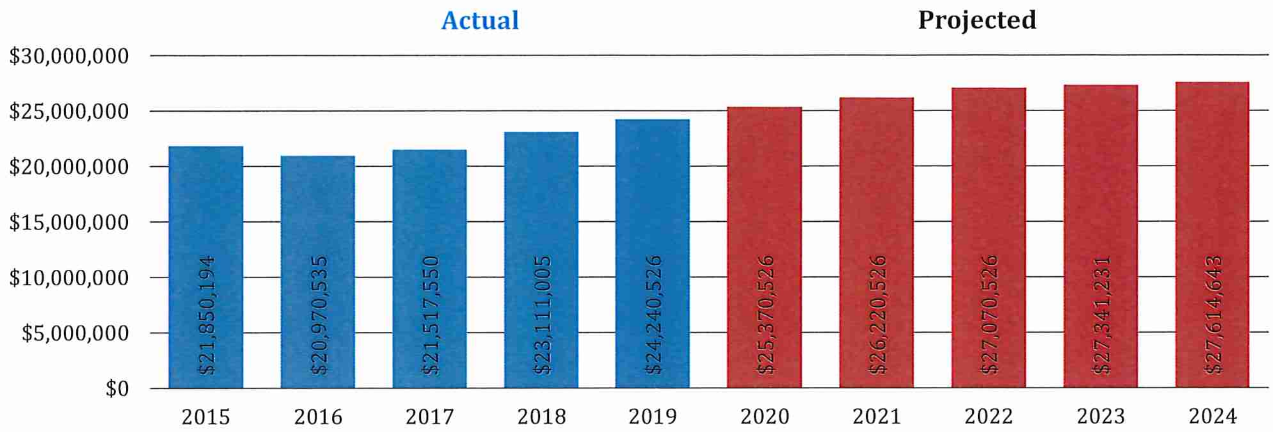
It is important to compare the increase in expenditures to the increase in revenue. Comparing the two numbers will help determine if expenses are outpacing revenue increases.

The salaries line does show a larger than normal percentage increase but it is important that two numbers can affect that increase, which are salary increases and increase in staff members.

Please see the following expenditure pages to find detailed information and projections the district has made.

3.010 - Personnel Services

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



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	24,240,526	25,370,526	26,220,526	27,070,526	27,341,231	27,614,643
YOY $ Change	1,129,521	1,130,000	850,000	850,000	270,705	273,412
YOY % Change	4.9%	4.7%	3.4%	3.2%	1.0%	1.0%
Percentage of Total Budget	39.6%	40.5%	42.4%	41.2%	40.7%	40.2%

This category contains 41% of the district's expenditures.

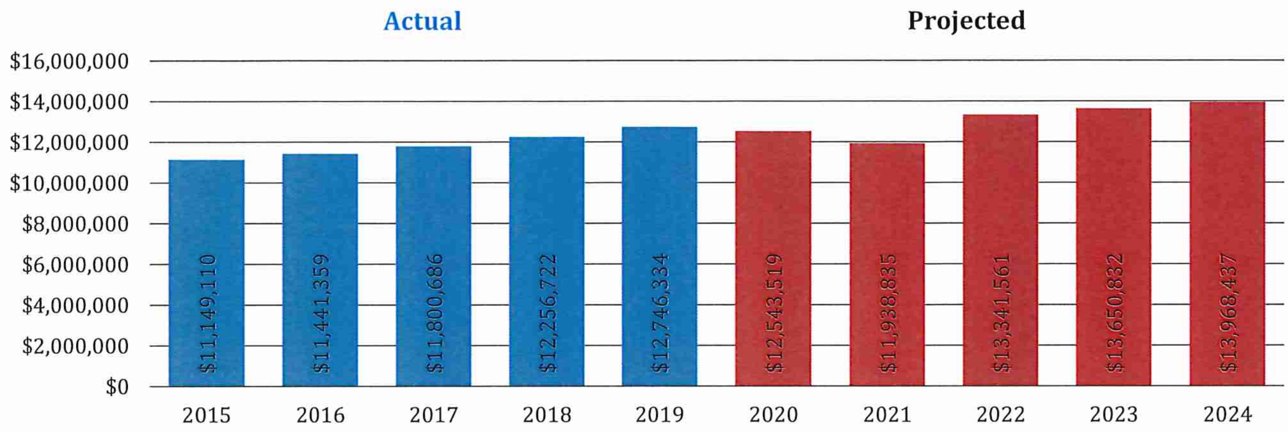
In the spring of 2019, the board of education approved employment agreements with all three unions. These agreements call for a 5% increase on the base salary in fiscal year 2020 and a 2.5% increase in fiscal year 2021 and 2022. The forecast assumes a 1% increase on the entire category's dollar figure for the two remaining years.

In fiscal year 2019, the board of education offered a retirement incentive for all employees. The savings from this plan are incorporated into fiscal year 2020 salary projections.

The district created the 035 severance fund in fiscal year 2016. Effective January 2016, all employee severance payments will be paid from the 035 fund.

3.020 - Employees' Benefits

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



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	12,746,334	12,543,519	11,938,835	13,341,561	13,650,832	13,968,437
YOY $ Change	489,612	(202,815)	(604,684)	1,402,726	309,271	317,605
YOY % Change	4.0%	-1.6%	-4.8%	11.7%	2.3%	2.3%
Percentage of Total Budget	20.8%	20.0%	19.3%	20.3%	20.3%	20.3%

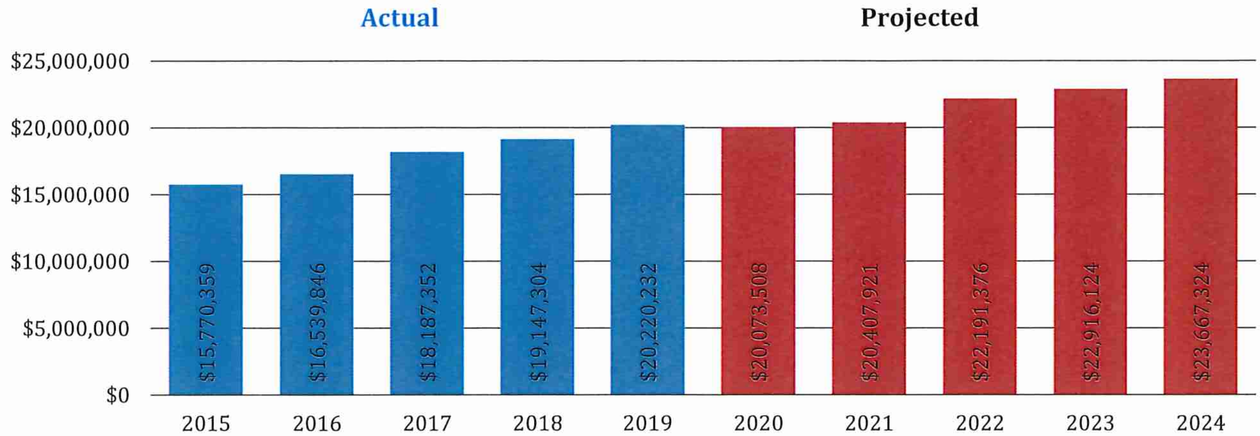
This category makes up 20% of the district's total expenditures. The expenses that fall in this budget line are retirement payments (SERS, STRS, and Medicare) as well as insurance and worker's compensation costs borne by the board of education. SERS and STRS are 14% of an employee's salary, except for central office employees and administrators who get full pick-up on the pick-up. Medicare is 1.45% of the employee salary. In fiscal year 2018, the district stopped charging worker's compensation due to large refunds from the Ohio BWC fund.

The insurance plans for the staff have not seen significant changes in over forty years. Effective January 2020, all staff members will be on a HDHP with a $2,800 single / $5,000 family deductible, which is indexed to the IRS. Employees on Medicare during the transition we be able to continue on a PPO plan. Employees are able to earn board-paid contributions into their health savings accounts after meeting certain conditions. The forecast is assuming that the employer paid contributions will be paid from Fund 024 for fiscal years 2020 and 2021. For fiscal years 2022 and beyond, the forecast shows the contributions being paid from the general fund. The district was faced with a 19% increase in premium rates had no changes taken place. The district will see a decrease in premiums paid due to the switch and the fact that employees will now contribute 5% of the cost of monthly premiums. The district has assumed overall premium rates will increase by 3% per year.

The district could have open liabilities based on contractors being paid incorrectly in the past. The forecast has assumed $300,000 in fiscal year 2020 to cover those costs.

3.030 - Purchased Services

Amounts paid for personal services rendered by personnel who are not on the payroll of the school district, and other services which the school district may purchase.



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	20,220,232	20,073,508	20,407,921	22,191,376	22,916,124	23,667,324
YOY $ Change	1,072,928	(146,724)	334,413	1,783,455	724,748	751,200
YOY % Change	5.6%	-0.7%	1.7%	8.7%	3.3%	3.3%

Percentage of Total Budget	33.0%	32.0%	33.0%	33.8%	34.1%	34.4%

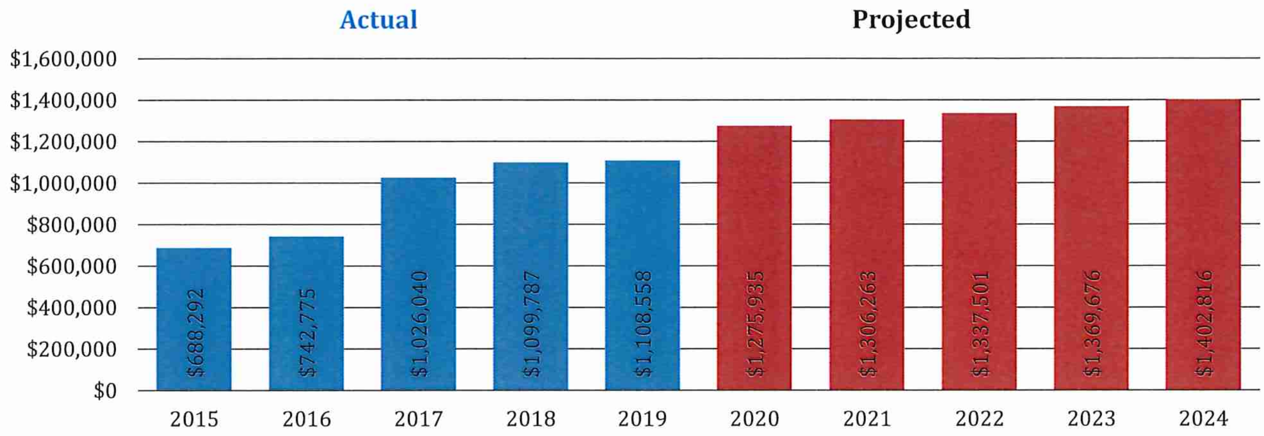
This category makes up 32% of the district's General Fund budget. The category covers all costs associated with services. Examples of these services are professional development costs, natural gas, electric, and reimbursement for mileage.

The majority of the expenses in this category are open enrollment and tuition payments to other districts and community (charter) schools. The district expects these costs to increase by roughly $775,000 for the current fiscal year. For fiscal year 2020, the high school has become eligible for the Ed Choice Program. The district had 48 new applicants for an Ed Choice Scholarship in the fall of 2019. This is a cost of roughly $264,000 where the district did not get state funding for the students.

The forecast projects increases of roughly 4.25% for the next four fiscal years for purchased services.

3.040 - Supplies & Materials

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



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	1,108,558	1,275,935	1,306,263	1,337,501	1,369,676	1,402,816
YOY $ Change	8,771	167,377	30,328	31,238	32,175	33,140
YOY % Change	0.8%	15.1%	2.4%	2.4%	2.4%	2.4%

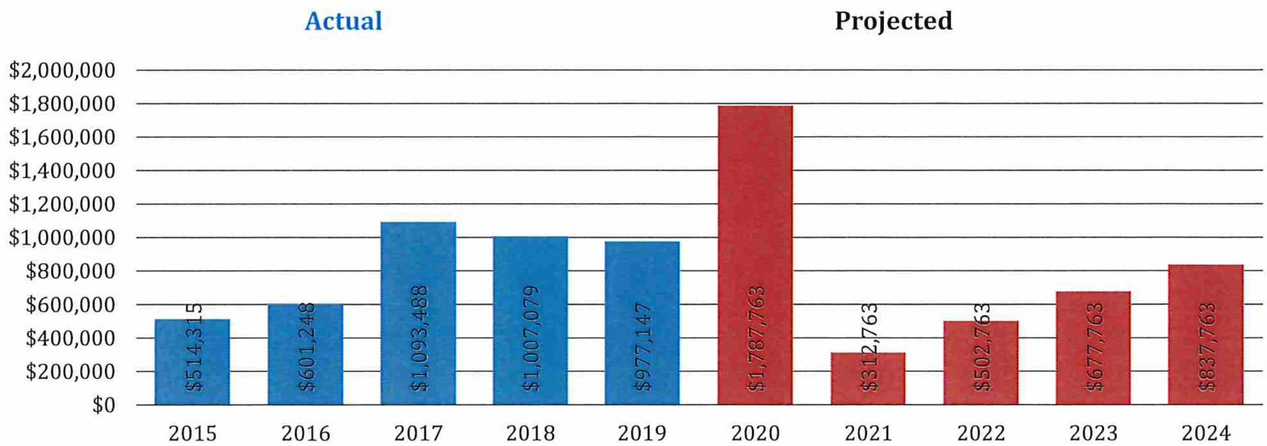
Percentage of Total Budget	1.8%	2.0%	2.1%	2.0%	2.0%	2.0%

This category makes up 2% of the total General Fund expenditures made by the district. The category covers all costs associated with purchasing materials and supplies. Examples of these are diesel fuel, textbooks, paper, bus parts, and other educational materials. The forecast projects budgeting $250,000 for textbooks in the current fiscal year and continue every year thereafter. The forecast projects roughly 2.5% increase for the remaining fiscal years.

Starting in fiscal year 2018, the district no longer charged student fees. The district budgeted more in this category to supplement what was purchased in prior years with student fee funds.

3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	977,147	1,787,763	312,763	502,763	677,763	837,763
YOY $ Change	(29,932)	810,616	(1,475,000)	190,000	175,000	160,000
YOY % Change	-3.0%	83.0%	-82.5%	60.7%	34.8%	23.6%

Percentage of Total Budget	1.6%	2.9%	0.5%	0.8%	1.0%	1.2%

This category contains 2.9% of the total General Fund expenditures made by the district. The category covers all costs associated with capital outlay (equipment) which are not paid for with permanent improvement funds. Examples of these costs are buses, computers, and other building repairs.

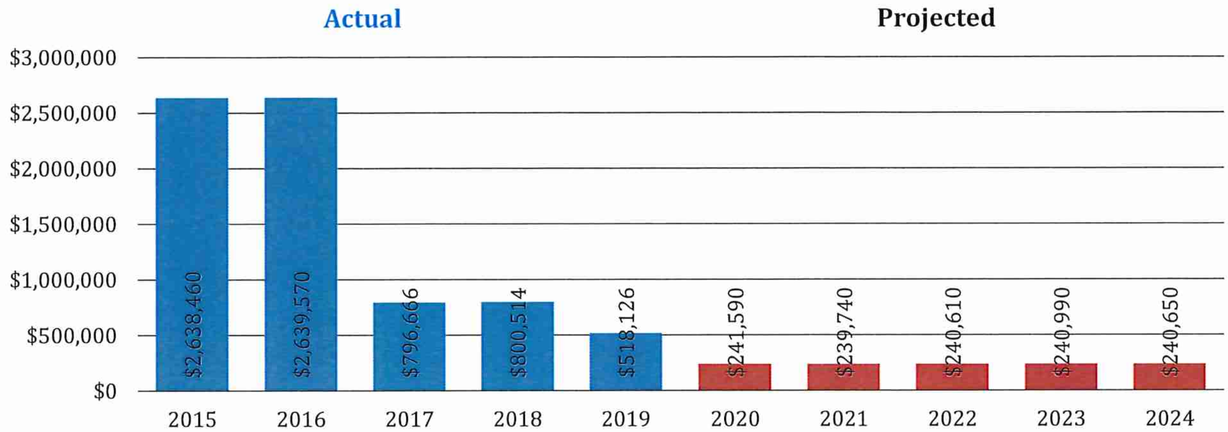
In fiscal year 2017, the district increased the spending in this area as they were curtailed during the time the district was in fiscal emergency.

The district plans to implement a one-to-one program for student Chrome books. The district plans to make the initial investment in fiscal year 2020 and reducing the technology budget for fiscal years 2021 and 2022.

The district plans to purchase 4 buses in fiscal year 2020 and 2024, no buses in fiscal year 2021, and 2 buses in fiscal years 2022 and 2023.

3.060-4.060 - Intergovernmental & Debt

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



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	518,126	241,590	239,740	240,610	240,990	240,650
YOY $ Change	(282,388)	(276,536)	(1,850)	870	380	(340)
YOY % Change	-35.3%	-53.4%	-0.8%	0.4%	0.2%	-0.1%

Percentage of Total Budget	0.8%	0.4%	0.4%	0.4%	0.4%	0.4%

In the past, the category has made up 5% of the district's General Fund budget. It now is less than 1% of the annual budget.

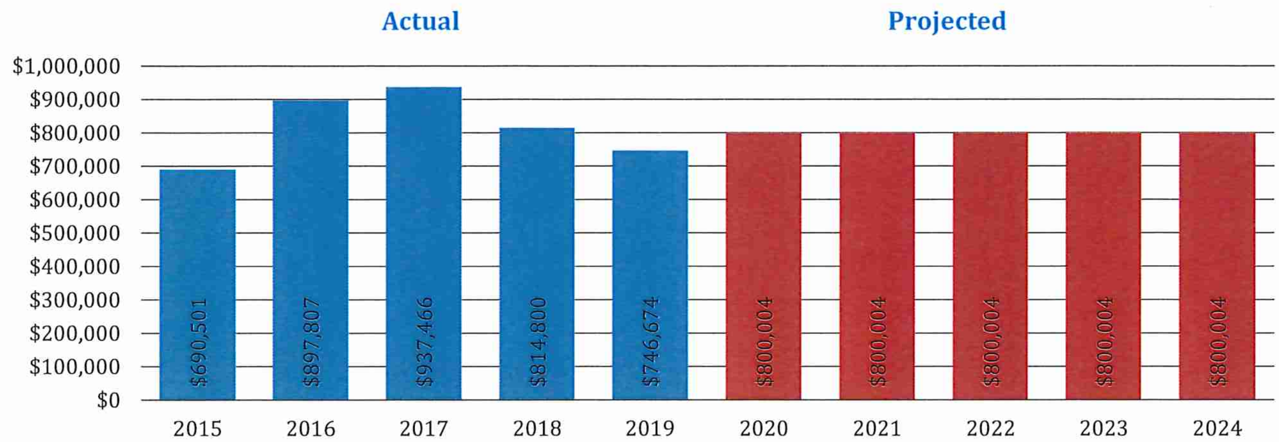
In fiscal years 2015 and 2016, the district had payments deducted from the state foundation payments to pay back the loan that was taken in fiscal year 2014 from the Ohio Department of Education, which was when the district entered Fiscal Emergency.

The district has loan and interest payments throughout the forecast from the House Bill 264 energy conservation bond payments, which are included in this category.

The district does not anticipate any new borrowing during the forecast period.

4.300 - Other Objects

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



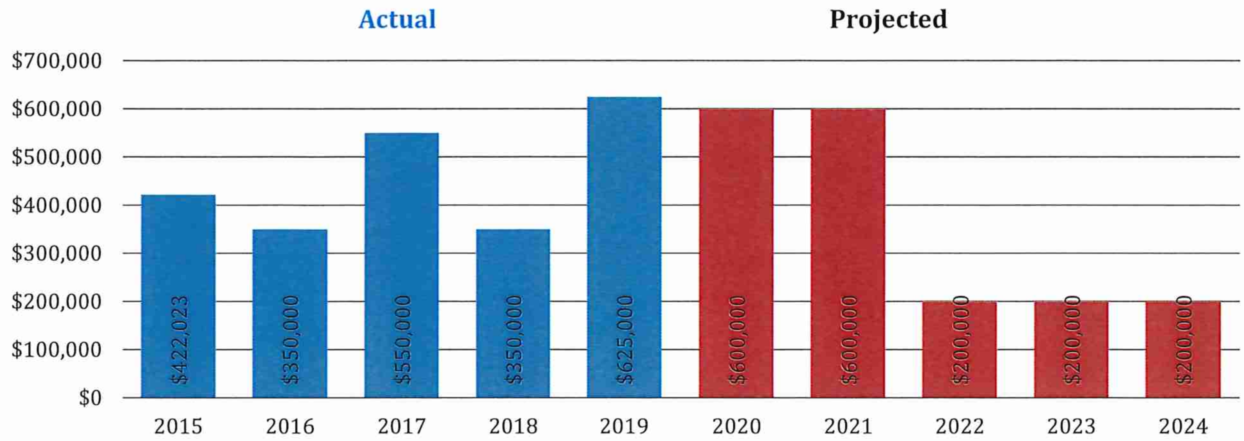
		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	746,674	800,004	800,004	800,004	800,004	800,004
YOY $ Change	(68,126)	53,330	-	-	-	-
YOY % Change	-8.4%	7.1%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Budget	1.2%	1.3%	1.3%	1.2%	1.2%	1.2%

This category makes up 1% of the General Fund expenditures which cover all the costs associated with local auditor and treasurer fees.

The forecast projects a small percentage increase in the remaining fiscal years.

5.040 - Total Other Financing Uses

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



		FORECASTED				
	2019	2020	2021	2022	2023	2024
Total	625,000	600,000	600,000	200,000	200,000	200,000
YOY $ Change	275,000	(25,000)	-	(400,000)	-	-
YOY % Change	78.6%	-4.0%	0.0%	-66.7%	0.0%	0.0%

Percentage of Total Budget	**1.0%**	**1.0%**	**1.0%**	**0.3%**	**0.3%**	**0.3%**

Transfers Out	625,000	600,000	600,000	200,000	200,000	200,000
Advances Out	-	-	-	-	-	-

This category makes up less than 1% of the district's General Fund budget. The category covers all costs associated with transferring funds at the end of the year. If another school fund does not have a positive balance, funds are transferred from this line to ensure all accounts end the fiscal year in the black. In the past, the district had to approve transferring funds to cover community school costs and the deficit in the insurance fund (FY 2014).

In fiscal years 2020 and 2021, the district plans to transfer $400,000 to the 035 severance fund. In fiscal years 2022, 2023 and 2024, the district plans to transfer $200,000 to the 035 severance fund.
The district will also transfer $200,000 to the Arlin Field Fund (004-9904) to prepare for replacing the football field turf. The district projects that these transfers will be the only yearly payments from this category for the next five years.

Mansfield City Schools

Five Year Forecast

	Actual	FORECASTED				
Fiscal Year:	2019	2020	2021	2022	2023	2024
Revenue:						
1.010 - General Property Tax (Real Estate)	14,383,593	14,529,284	14,543,899	14,623,993	13,176,714	11,716,167
1.020 - Public Utility Personal Property	2,260,429	2,376,459	2,443,647	2,509,735	2,392,890	2,261,873
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	34,465,583	33,728,061	33,724,798	34,721,535	34,718,273	34,715,010
1.040 - Restricted Grants-in-Aid	4,222,465	4,222,465	4,222,465	4,222,465	4,222,465	4,222,465
1.050 - Property Tax Allocation	2,281,843	2,218,774	2,155,111	2,076,266	1,924,257	1,817,311
1.060 - All Other Operating Revenues	3,321,169	2,955,941	2,974,301	2,993,212	3,012,690	3,032,752
1.070 - Total Revenue	60,935,082	60,030,984	60,064,221	61,147,206	59,447,289	57,765,578
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	101,260	57,743	65,000	65,000	65,000	65,000
2.070 - Total Other Financing Sources	101,260	57,743	65,000	65,000	65,000	65,000
2.080 - Total Rev & Other Sources	61,036,342	60,088,727	60,129,221	61,212,206	59,512,289	57,830,578
Expenditures:						
3.010 - Personnel Services	24,240,526	25,370,526	26,220,526	27,070,526	27,341,231	27,614,643
3.020 - Employee Benefits	12,746,334	12,543,519	11,938,835	13,341,561	13,650,832	13,968,437
3.030 - Purchased Services	20,220,232	20,073,508	20,407,921	22,191,376	22,916,124	23,667,324
3.040 - Supplies and Materials	1,108,558	1,275,935	1,306,263	1,337,501	1,369,676	1,402,816
3.050 - Capital Outlay	977,147	1,787,763	312,763	502,763	677,763	837,763
Intergovernmental & Debt Service	518,126	241,590	239,740	240,610	240,990	240,650
4.300 - Other Objects	746,674	800,004	800,004	800,004	800,004	800,004
4.500 - Total Expenditures	60,557,597	62,092,845	61,226,052	65,484,341	66,996,620	68,531,637
Other Financing Uses						
5.010 - Operating Transfers-Out	625,000	600,000	600,000	200,000	200,000	200,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	625,000	600,000	600,000	200,000	200,000	200,000
5.050 - Total Exp and Other Financing Uses	61,182,597	62,692,845	61,826,052	65,684,341	67,196,620	68,731,637
6.010 - Excess of Rev Over/(Under) Exp	(146,255)	(2,604,118)	(1,696,831)	(4,472,135)	(7,684,331)	(10,901,059)
7.010 - Cash Balance July 1 (No Levies)	15,834,304	15,688,049	13,083,931	11,387,100	6,914,966	(769,366)
7.020 - Cash Balance June 30 (No Levies)	15,688,049	13,083,931	11,387,100	6,914,966	(769,366)	(11,670,425)
		Reservations				
8.010 - Estimated Encumbrances June 30	369,941	350,000	350,000	350,000	350,000	350,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	15,318,108	12,733,931	11,037,100	6,564,966	(1,119,366)	(12,020,425)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies		-	-	-	1,768,692	3,537,745
11.030 - Cumulative Balance of Levies	-	-	-	-	1,768,692	5,306,438
12.010 - Fund Bal June 30 for Cert of Obligations	15,318,108	12,733,931	11,037,100	6,564,966	649,327	(6,713,987)
Revenue from New Levies						
13.010 & 13.020 - New Levies		-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	15,318,108	12,733,931	11,037,100	6,564,966	649,327	(6,713,987)