

MINSTER LOCAL SCHOOLS
NOTES TO 5 YEAR FORECAST
JUNE 30, 2008

October 2007 Submission

1. Real Estate: Average increase due to new construction rates. In tax year 2006, industrial real estate increased 12% while residential real estate was at 1.3%. Given trends in the past during reappraisal years, 13% was average increase; however, in tax year 2005, the inflationary factor was only 5%. Going forward, triennial update estimated to be 8% in tax year 2008.
2. Personal Tangible: Reduction due to phase-out. In 2011, remaining collection is on PUPP values only.
3. Income Tax: .5% passed in November 2006 with collections beginning in April 2007. Full amount will not be realized until fiscal year 2009. After 2009, estimate an average increase in income of 3%.
4. Unrestricted Grants: increase in 2008 and 2009 due to receiving PT offset with declining valuation on the SF-3 and due to increased enrollment in FY2008 approximately 20 students. FY08 appears to be exceptionally large kindergarten class. Reduced future K enrollments to 70 per year. Minster is no longer on the guarantee but on the formula. Enrollment estimated to decline and valuation estimated to increase after triennial update in FY2012. The combination results in little to no increase in aid.
5. Restricted Grants: Reduction showing in FY08 due to recording catastrophic reimbursements of \$33,000 in FY07 as restricted but going forward, showing as unrestricted and less received due to one less student qualifying. Other restricted aid includes amount received for bus purchase (\$3000) and career tech.
6. Property Tax Allocation: Includes homestead and rollbacks as well as direct payments of PT loss reimbursements. Amount of direct payments begins to decrease in FY2009 with a large portion being offset in the foundation and again in 2012 when the direct payment portion begins to be phased out.
7. All Other Revenues: No change assumed in open enrollments. Other items include student fees and interest. Interest rates increasing along with utilizing the CDARS program which allows for more liquidity with higher yields.
8. Operating Transfers-In: Increase in FY08 is increased due to higher-set aside for textbooks and instructional materials established by the state.
9. All Other Financing Sources: Previously, we billed for excess costs on Tri-Star to other schools and was booked as reduction of prior year expenditure. The county schools are no longer billing other schools for excess costs on bussing.
10. Personal Services: Increase due to hiring assistant principal, tech coordinator, intervention specialist and music teacher; several long term substitutes for leaves of absences; estimated 2.5% base salary increase in 2009 and beyond; 1.02% each year for step increments. Does not include any severance payments due to the establishment of fund 035—Termination Benefits. Transfer will be made to this fund and severances paid from this fund.
11. Employees' Retirement/Insurance Benefits: 15.5% increase on new employees as well as additional insurances (all currently selected family PPO plans). Assumes a 15% increase each year in insurances.

MINSTER LOCAL SCHOOLS
NOTES TO 5 YEAR FORECAST
JUNE 30, 2008

12. Purchased Services: Decrease in FY2008 due to not having the tech service from WOCO, decrease in natural gas level billing, increase in legal fees due to negotiations, decrease in post-secondary option fees assessed in FY08 for FY07—decreased number of students in PESOP.
13. Supplies and Materials: Increase due to purchase of science curriculum textbooks and kits district wide. Average increase thereafter—next year math texts are on the replacement cycle and not many of the staff are looking at updating the text.
14. Capital Outlay: Increase due to adding to the technology budget \$100,000 per year and purchasing a new bus in FY09 and FY11.
15. Other Objects: Fluctuations from year to year due to the 2 year audit cycle. We were audited in FY07 for FY05 & FY06. We will again be audited in FY09 for FY07 and FY08.
16. Operating Transfers-Out: Increase due to establishing the 035 fund with the severance plan adopted in October 2007—transferring \$7000 per month during FY08 & FY09 as well as transferring savings in hiring for retirees at the end of 2008. No transfer to 035 after 2009 as the fund will be re-evaluated at that time and the amount of funds should be sufficient for eligible employees as of FY08.

JANUARY 2008 UPDATE

17. Real Estate: Actual taxes based on estimated certificate of resources received from Auglaize County auditor.
18. Personal Tangible: Reduction due to phase-out. In 2011, remaining collection is on PUPP values only.
19. Income Tax: .5% passed in November 2006 with collections beginning in April 2007. Full amount will not be realized until fiscal year 2009. After 2009, estimate an average increase in income of 3%.
20. Unrestricted Grants: increase in 2008 and 2009 due to receiving PT offset with declining valuation on the SF-3 and due to increased enrollment in FY2008 approximately 20 students. FY08 appears to be exceptionally large kindergarten class. Reduced future K enrollments to 70 per year. Minster is no longer on the guarantee but on the formula. Enrollment estimated to decline and valuation estimated to increase after triennial update in FY2012. The combination results in little to no increase in aid.
21. Restricted Grants: Reduction showing in FY08 due to recording catastrophic reimbursements of \$33,000 in FY07 as restricted but going forward, showing as unrestricted and less received due to one less student qualifying. Other restricted aid includes amount received for bus purchase (\$3000) and career tech.
22. Property Tax Allocation: Includes homestead and rollbacks as well as direct payments of PT loss reimbursements. Amount of direct payments begins to decrease in FY2009 with a large portion being offset in the foundation and again in 2012 when the direct payment portion begins to be phased out.
23. All Other Revenues: No change assumed in open enrollments. Other items include student fees and interest. Interest rates increasing along with utilizing the CDARS program which allows for more liquidity with higher yields.

MINSTER LOCAL SCHOOLS
NOTES TO 5 YEAR FORECAST
JUNE 30, 2008

24. Operating Transfers-In: Increase in FY08 is increased due to higher-set aside for textbooks and instructional materials established by the state.
25. All Other Financing Sources: Previously, we billed for excess costs on Tri-Star to other schools and was booked as reduction of prior year expenditure. The county schools are no longer billing other schools for excess costs on bussing.
26. Personal Services: Increase due to hiring assistant principal, tech coordinator, intervention specialist and music teacher; several long term substitutes for leaves of absences; estimated 2.5% base salary increase in 2009 and beyond; 1.02% each year for step increments. Does not include any severance payments due to the establishment of fund 035—Termination Benefits. Transfer will be made to this fund and severances paid from this fund.
27. Employees' Retirement/Insurance Benefits: 15.5% increase on new employees as well as additional insurances (all currently selected family PPO plans). Actual increase of 5% insurance for FY2008 (2.5% realized in 2008) but assumes a 15% increase each year in insurances.
28. Purchased Services: Decrease in FY2008 due to not having the tech service from WOCO, decrease in natural gas level billing, increase in legal fees due to negotiations, decrease in post-secondary option fees assessed in FY08 for FY07—decreased number of students in PESOP.
29. Supplies and Materials: Increase due to purchase of science curriculum textbooks and kits district wide. Average increase thereafter—next year math texts are on the replacement cycle and not many of the staff are looking at updating the text.
30. Capital Outlay: Increase due to adding to the technology budget \$100,000 per year and purchasing a new bus in FY08.
31. Other Objects: Fluctuations from year to year due to the 2 year audit cycle. We were audited in FY07 for FY05 & FY06. We will again be audited in FY09 for FY07 and FY08.
32. Operating Transfers-Out: Increase due to establishing the 035 fund with the severance plan adopted in October 2007—transferring \$7000 per month during FY08 & FY09 as well as transferring savings in hiring for retirees at the end of 2008. No transfer to 035 after 2009 as the fund will be re-evaluated at that time and the amount of funds should be sufficient for eligible employees as of FY08.

MAY 2008 UPDATE

33. Real Estate: Tax for this year based on actual tax received—estimating the split for calendar year is more 50%/50% rather than the historical 54%/46% split. Future amounts based on tri-ennial update for 2008 estimated at 8% increase in values and 2% increase in new construction.
34. Personal Tangible: Reduction due to phase-out. In 2011, remaining collection is on PUPP values only.
35. Income Tax: .5% passed in November 2006 with collections beginning in April 2007. Full amount will not be realized until fiscal year 2009. After 2009, estimate an average increase in income of 3%. 2008 based on actual received.

MINSTER LOCAL SCHOOLS
NOTES TO 5 YEAR FORECAST
JUNE 30, 2008

36. Unrestricted Grants: increase in 2008 and 2009 due to receiving PT offset with declining valuation on the SF-3 and due to increased enrollment in FY2008 approximately 20 students. FY08 appears to be exceptionally large kindergarten class. Reduced future K enrollments to 70 per year. Due to still being on the guarantee, no significant increase. Enrollment estimated to decline and valuation estimated to increase after triennial update in FY2008 and FY2012. The combination results in little to no increase in aid.
37. Restricted Grants: Reduction showing in FY08 due to recording catastrophic reimbursements of \$33,000 in FY07 as restricted but going forward, showing as unrestricted and less received due to one less student qualifying. Other restricted aid includes amount received for bus purchase (\$3000) and career tech.
38. Property Tax Allocation: Includes homestead and rollbacks as well as direct payments of PT loss reimbursements. Amount of direct payments begins to decrease in FY2009 with a large portion being offset in the foundation and again in 2012 when the direct payment portion begins to be phased out.
39. All Other Revenues: Decrease in out-going open enrollments. Other items include student fees and interest. Interest rates decreasing along with utilizing the CDARS program which allows for more liquidity with higher yields.
40. Operating Transfers-In: Increase in FY08 is increased due to higher-set aside for textbooks and instructional materials established by the state as well as setting money aside in fund 035 for termination benefits.
41. All Other Financing Sources: Previously, we billed for excess costs on Tri-Star to other schools and was booked as reduction of prior year expenditure. The county schools are no longer billing other schools for excess costs on bussing.
42. Personal Services: Increase due to hiring assistant principal, tech coordinator, intervention specialist and music teacher; several long term substitutes for leaves of absences; estimated 3%, 2.25% , 2%, 2.42% base salary increase in 2009, 2010, 2011, and 2012. 1.02% each year for average step increments for 2009,2010, 2011, and 2012 but adjusted for actual based on staff. Does not include any severance payments due to the establishment of fund 035— Termination Benefits. Transfer will be made to this fund and severances paid from this fund.
43. Employees' Retirement/Insurance Benefits: 12% increase on new employees as well as additional insurances (all currently selected family PPO plans). Actual increase of 5% insurance for FY2008 (2.5% realized in 2008) but assumes a 12% increase each year in insurances.
44. Purchased Services: Decrease in FY2008 due to not having the tech service from WOCO, decrease in natural gas level billing, increase in legal fees due to negotiations, decrease in post-secondary option fees assessed in FY08 for FY07— decreased number of students in PESOP.
45. Supplies and Materials: Increase due to purchase of science curriculum textbooks and kits district wide. Textbooks for FY09 are for math and for FY2010 are language arts. Average increase thereafter.
46. Capital Outlay: Increase due to adding to the technology budget \$100,000 per year and purchasing a new bus in FY08.

MINSTER LOCAL SCHOOLS
NOTES TO 5 YEAR FORECAST
JUNE 30, 2008

47. Other Objects: Fluctuations from year to year due to the 2 year audit cycle. We were audited in FY07 for FY05 & FY06. We will again be audited in FY09 for FY07 and FY08 and in FY2011 for FY09 & FY2010. Increase also in fees for tax collections
48. Operating Transfers-Out: Increase due to establishing the 035 fund with the severance plan adopted in October 2007—transferring \$7000 per month during FY08 & FY09 as well as transferring savings in hiring for retirees at the end of 2008. Transfers to 035 after 2009 based on 2 retirements per year.