



FIVE YEAR FORECAST

*FISCAL YEARS
2013 – 2017*

May 20, 2013

*Linda K. Schumacher, CPA
Treasurer*

PIONEER CAREER AND TECHNOLOGY CENTER - - RICHLAND COUNTY
Schedule Of Revenue, Expenditures and Changes In Fund Balances
Actual and Forecasted Operating Fund

	ACTUAL			FORECASTED				
	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017
Revenue:								
1.010 - General Property Tax (Real Estate)	3,859,205	3,756,213	3,753,080	3,934,283	3,809,417	3,866,542	3,904,749	3,928,125
1.020 - Tangible Personal Property Tax	397,892	356,748	346,912	292,034	292,034	300,034	300,034	300,034
1.035 - Unrestricted Grants-in-Aid	9,446,180	9,618,728	9,705,241	6,879,289	6,879,289	6,879,289	6,879,289	6,879,289
1.040 - Restricted Grants-in-Aid	-	-	-	2,834,866	2,834,866	2,834,866	2,834,866	2,834,866
1.050 - Property Tax Allocation	1,842,875	1,796,716	978,829	635,524	637,940	642,101	648,082	607,087
1.060 - All Other Operating Revenues	388,450	451,104	420,006	246,786	209,254	171,346	133,060	134,390
1.070 - Total Revenue	15,934,602	15,979,509	15,204,068	14,822,782	14,662,800	14,694,179	14,700,079	14,683,791
Other Financing Sources:								
2.040 - Operating Transfers-In	-	-	491	-	-	-	-	-
2.050 - Advances-In	90,500	275,000	72,000	100,000	100,000	100,000	100,000	100,000
2.060 - All Other Financing Sources	59,680	24,709	67,537	-	-	-	-	-
2.070 - Total Other Financing Sources	150,180	299,709	140,028	100,000	100,000	100,000	100,000	100,000
2.080 - Total Revenues and Other Financing Sources	16,084,782	16,279,218	15,344,096	14,922,782	14,762,800	14,794,179	14,800,079	14,783,791
Expenditures:								
3.010 - Personnel Services	9,124,093	9,168,254	9,100,883	8,990,883	9,024,712	9,351,537	9,354,431	9,493,247
3.020 - Employees' Retirement/Insurance Benefits	3,358,021	3,629,410	3,752,107	3,834,716	3,760,145	3,863,179	4,095,798	4,371,126
3.030 - Purchased Services	1,454,235	1,407,082	1,387,833	1,387,833	1,549,468	1,595,952	1,643,831	1,726,022
3.040 - Supplies and Materials	551,791	474,783	494,415	519,136	545,093	572,347	600,965	631,013
Debt Service:								
4.010 - Principal-All Years	265,000	275,000	290,000	-	-	-	-	-
4.020 - Principal - Notes	-	-	-	240,000	250,000	260,000	270,000	280,000
4.050 - Principal - HB264 Loan	-	-	-	55,000	60,000	60,000	65,000	-
4.055 - Principal - Other	-	-	-	-	-	-	-	-
4.060 - Interest and Fiscal Charges	577,165	567,851	557,839	547,109	535,584	522,559	508,309	495,400
4.300 - Other Objects	182,199	171,130	182,739	191,876	201,470	211,543	222,120	233,226
4.500 - Total Expenditures	15,512,504	15,693,510	15,765,816	15,766,552	15,926,471	16,437,117	16,760,453	17,230,034
Other Financing Uses								
5.010 - Operating Transfers-Out	352,464	687,211	505,200	600,000	600,000	600,000	625,000	625,000
5.020 - Advances-Out	275,000	72,000	24,000	100,000	100,000	100,000	100,000	100,000
5.030 - All Other Financing Uses	31	-	-	-	-	-	-	-
5.040 - Total Other Financing Uses	627,495	759,211	529,200	700,000	700,000	700,000	725,000	725,000
5.050 - Total Expenditures and Other Financing Uses	16,139,999	16,452,721	16,295,016	16,466,552	16,626,471	17,137,117	17,485,453	17,955,034
Excess of Rev & Other Financing Uses Over (Under)								
6.010 - Expenditures and Other Financing Uses	(55,217)	(173,503)	(950,920)	(1,543,770)	(1,863,672)	(2,342,938)	(2,685,374)	(3,171,243)
Cash Balance July 1 - Excluding Proposed Renewal/								
7.010 - Replacement and New Levies	10,657,172	10,601,955	10,428,452	9,477,532	7,933,762	6,070,090	3,727,152	1,041,778
7.020 - Cash Balance June 30	10,601,955	10,428,452	9,477,532	7,933,762	6,070,090	3,727,152	1,041,778	(2,129,465)
8.010 - Estimated Encumbrances June 30	201,658	470,001	300,000	300,000	300,000	300,000	300,000	300,000
9.080 - Subtotal	-	-	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	10,400,297	9,958,451	9,177,532	7,633,762	5,770,090	3,427,152	741,778	(2,429,465)



PIONEER CAREER & TECHNOLOGY CENTER

FINANCIAL FORECAST ASSUMPTIONS

May 2013

Preface – The assumptions in this forecast are extremely important in understanding the report. Please read the following assumptions when analyzing the October, 2012, five-year forecast.

REVENUES

Real Estate Taxes (Line 1.01) – Property tax revenue estimates are based on historical growth patterns, including scheduled reappraisals and updates. These estimates are substantiated by information provided for the upcoming fiscal year by the County Auditor. The property tax figures are also based on historical collection levels. Delinquency collections are up in FY2013; therefore, property tax revenue is projected for FY13 at a higher amount than originally forecasted.

Tangible Personal Property Tax (Line 1.020) – Included in this line item is the PUPP (Public Utilities Personal Property Tax). The District received its final regular Tangible Personal Property Tax Reimbursement in FY2012. This resulted in a loss of \$4,300,000 from the 10/31/2010 forecast.

Unrestricted Grants-in-Aid (Line 1.035) - Pioneer is currently on a guarantee of state funding in the amount of \$6,879,289. A new funding formula is expected in FY14. It is expected Career Tech Schools will be on some type of new formula, but using a conservative estimate, the current forecast projects fixed revenues for FY's 14-17. In previous years, the total on this line included the Career-Tech Weighted Funding amount. Beginning with this forecast that amount will be included on line 1.040.

Restricted Grants-in-Aid (Line 1.040) – The district is currently on a calculation of state funding of Career-Tech Education Weighted Funding in the amount of \$2,834,866. In previous forecasts this amount was included in Unrestricted Grants (Line 1.035). This portion of State Foundation money is to be used to “develop more fully the academic and career and technical skills of secondary education students and postsecondary education students who elect to enroll in career and technical education programs”.

Property Tax Allocation (Line 1.050) – This line includes the payments from the State of Ohio for the 10% and 2.5% rollback of property taxes as well as the Homestead Exemption. Estimates are based on FY2012 actual receipts. This line item also includes \$44,000 of TPP reimbursements which are scheduled to be received annually until 2016.

All Other Operating Revenues (Line 1.060) – Items included on this line consist of interest earnings, cost-sharing payments made by partner school districts for satellite programs, payments in lieu of taxes by local companies due to tax abatement agreements and classroom fees and provider fees.

Revenue in lieu of taxes is no longer a major revenue factor. In FY12, collections were \$2,224.

After generating \$168,108 in FY12, it is expected that interest earnings will fall sharply to approximately \$75,000 in FY13 and steadily decline thereafter until FY16 when no investments are projected.

Revenues for reimbursement for Project Search are discontinued for FY13 and thereafter. This amounts to \$54,750 per year.

Advances – In (Line 2.050) – Advances-in and advances-out (loans to other funds) are dependent upon grant funding and cash flow and equate from year to year.

EXPENDITURES

Personal Service (Line 3.010) – The current negotiated agreement for FY12 and FY13 calls for 0% increase in base salary for the two years, but allows for step increments. New negotiations have taken place in the spring of 2013. A two-year agreement has been reached, but not ratified. The salary increases from the tentative agreement have been included in the forecast. During FY12, a total of five staff members retired and were not replaced. One teacher retired and the program discontinued, but with hopes of reviving that program in FY14. Another three staff members retired and were replaced with employees lower on the pay schedules. By the end of FY13, another 12 staff members will have retired. Of those, 4.5 will not be replaced. Others will be replaced with employees lower on the pay schedule.

In August, 2011, per OSFC directive, the District began charging 3.33 maintenance employees to the set-aside maintenance fund required by OSFC. Beginning in FY14, Pioneer will phase those three employees back into the General Fund one employee per year as a result of a change in the directive of the OSFC.

Employees Retirement & Fringe Benefits (Line 3.020) – Retirement (14%), Medicare (1.45%) and Workers Compensation (.5890%) are expected to change respectively with changes in personal services expenditures. Insurance premiums for fiscal year 2013 have increased 8.6%. Through the tentative negotiated agreement, FY14 health insurance premiums should remain the same as FY13, increase 2% in FY15 and increase 9% in each of FY16 & FY17.

Purchased Services (Line 3.030) - This category includes utility costs, mileage/meeting expenses, repairs and maintenance (not including charges to Fund 034), legal fees and property insurance along with other charges. Fiscal years 2013 through 2016 reflect a 3% inflationary increase.

Supplies and Materials (Line 3.040) – Expenses in this category have remained steady. Those expenses include textbooks, supplies, equipment and educational software. FY13 – 17 include a 5% increase for inflation.

Principal-Notes (Line 4.020) – Included in this line item is the principal repayment of the Certificates of Participation issued on August 21, 2008, for the District's share of the OSFC renovation project.

Principal-HB 264 Loans (Line 4.050) – This line item is the principal payment of the Energy Conservation Bonds issued in 2000. This debt will be retired in FY16. Energy savings generated by the HB264 project improvements will be used to retire the debt. These savings are factored into the estimate for the "Purchased Services" category.

Interest and Fiscal Charges (Line 4.060) – The interest payments for the Line 4.020 and Line 4.050 are included in this line item. FY13 includes \$12,259 in interest for the Energy Savings Bonds and \$534,850 in interest for the OSFC renovation project.

Other Objects (Line 4.300) – A large portion of the expenditures reflected in this category are related to County Auditor fees associated with the collection of real estate and tangible taxes and State audit fees. FY13 -17 include a 5% increase for inflation.

Operating Transfers – Out (Line 5.010) – Transfers from the General Fund are made to the Permanent Improvement Fund each year for building maintenance and equipment upgrades that average \$500,000 per year. Fiscal years 13 – 15 show a transfer of \$500,000 to the Permanent Improvement Fund. Beginning in FY16 \$200,000 will continue to be transferred to the Permanent Improvement Fund and \$425,000 per year will be transferred to the OSFC set-aside Maintenance Fund (034). Until FY15 Fund 034 has been funded by the 070 Capital Projects Fund which as of fiscal year-end 2012 had a balance of \$1,768,002.

Advances – Out (Line 5.020) – These are loans to funds that have a cash deficit at fiscal year-end and are returned to the operating fund at the beginning of the new fiscal year. They are mirrored in the line item 2.050 – Advances-In.

Excess of Revenues over (under) Expenditures(line 6.010)

This line represents the difference between revenues and expenditures for the fiscal year. A negative number reveals deficit spending for that specific fiscal year.

Encumbrances (Line 8.010) – Estimate of requisitions placed but not paid for.

Unreserved Fund Balance June 30(Line 15.010) – This line represents the forecasted unreserved cash balance in the General Fund at the end of the fiscal year

Please direct any questions to:

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