



FIVE YEAR FORECAST

*FISCAL YEARS
2014 – 2018*

October 21, 2013

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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 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
Revenue:								
1.010 - General Property Tax (Real Estate)	3,756,213	3,753,080	3,926,874	3,908,923	3,952,583	3,986,429	4,007,405	4,027,300
1.020 - Public Utility Personal Property	356,748	346,912	245,126	342,034	344,534	347,034	349,534	352,034
1.030 - Income Tax	0	0	0	0	0	0	0	0
1.035 - Unrestricted Grants-in-Aid	9,618,728	9,705,241	6,881,262	7,327,689	7,427,826	7,465,408	7,552,914	7,641,217
1.040 - Restricted Grants-in-Aid	0	0	2,834,868	2,584,607	2,618,984	2,650,973	2,681,399	2,712,102
1.045 - Restricted Federal Grants-in-Aid - SFSF	0	0	0	0	0	0	0	0
1.050 - Property Tax Allocation	1,796,716	978,829	689,888	600,134	591,145	592,434	594,545	594,678
1.060 - All Other Operating Revenues	451,104	420,006	261,056	221,056	183,267	145,099	146,550	148,016
1.070 - Total Revenue	15,979,509	15,204,068	14,839,074	14,984,443	15,118,338	15,187,376	15,332,349	15,475,347
Other Financing Sources:								
2.010 - Proceeds from Sale of Notes	0	0	0	0	0	0	0	0
2.020 - State Emergency Loans and Advancements	0	0	0	0	0	0	0	0
2.040 - Operating Transfers-In	0	491	0	0	0	0	0	0
2.050 - Advances-In	275,000	72,000	24,000	75,000	75,000	75,000	75,000	75,000
2.060 - All Other Financing Sources	24,709	67,537	25,055	24,000	24,000	24,000	24,000	24,000
2.070 - Total Other Financing Sources	299,709	140,028	49,055	99,000	99,000	99,000	99,000	99,000
2.080 - Total Revenues and Other Financing Sources	16,279,218	15,344,096	14,888,129	15,083,443	15,217,338	15,286,376	15,431,349	15,574,347
Expenditures:								
3.010 - Personnel Services	9,168,254	9,100,883	8,974,040	8,804,279	9,125,593	9,125,098	9,260,475	9,399,382
3.020 - Employees' Retirement/Insurance Benefits	3,629,410	3,752,107	3,697,196	3,477,246	3,528,817	3,528,738	3,550,465	3,572,760
3.030 - Purchased Services	1,407,082	1,387,833	1,297,742	1,492,674	1,537,454	1,583,578	1,662,757	1,745,895
3.040 - Supplies and Materials	474,783	494,415	534,487	561,211	589,272	618,736	649,672	682,156
3.050 - Capital Outlay	0	0	0	0	0	0	0	0
3.060 - Intergovernmental	0	0	0	0	0	0	0	0
Debt Service:								
4.010 - Principal-All Years	275,000	290,000	295,000	0	0	0	0	0
4.020 - Principal - Notes				250,000	260,000	270,000	280,000	290,000
4.050 - Principal - HB264 Loan				60,000	60,000	65,000	0	0
4.055 - Principal - Other				0	0	0	0	0
4.060 - Interest and Fiscal Charges	567,851	557,839	547,122	535,584	522,559	508,309	495,400	484,000
4.300 - Other Objects	171,130	182,739	191,204	200,764	210,802	221,343	232,410	232,410
4.500 - Total Expenditures	15,693,510	15,765,816	15,536,791	15,381,759	15,834,498	15,920,801	16,131,179	16,406,602
Other Financing Uses								
5.010 - Operating Transfers-Out	687,211	505,200	501,302	600,000	600,000	625,000	625,000	625,000
5.020 - Advances-Out	72,000	24,000	40,050	100,000	100,000	100,000	100,000	100,000
5.030 - All Other Financing Uses	0	0	0	0	0	0	0	0
5.040 - Total Other Financing Uses	759,211	529,200	541,352	700,000	700,000	725,000	725,000	725,000
5.050 - Total Expenditures and Other Financing Uses	16,452,721	16,295,016	16,078,143	16,081,759	16,534,498	16,645,801	16,856,179	17,131,602
Excess of Rev & Other Financing Uses Over (Under)								
6.010 - Expenditures and Other Financing Uses	-173,503	-950,920	-1,190,014	-998,316	-1,317,160	-1,359,425	-1,424,831	-1,557,255
Cash Balance July 1 - Excluding Proposed Renewal/								
7.010 - Replacement and New Levies	10,601,955	10,428,452	9,477,532	8,287,518	7,289,202	5,972,041	4,612,616	3,187,785
7.020 - Cash Balance June 30	10,428,452	9,477,532	8,287,518	7,289,202	5,972,041	4,612,616	3,187,785	1,630,530
8.010 - Estimated Encumbrances June 30	470,001	294,915	207,812	300,000	300,000	300,000	300,000	300,000
Fund Balance June 30 for Certification								
10.010 - of Appropriations	9,958,451	9,182,617	8,079,706	6,989,202	5,672,041	4,312,616	2,887,785	1,330,530



PIONEER CAREER & TECHNOLOGY CENTER

FINANCIAL FORECAST ASSUMPTIONS

October 2013

Preface – The assumptions in this forecast are extremely important in understanding the report. Please read the following assumptions when analyzing the October, 2013, 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. Although delinquency collections were up in FY2013, those collections are not expected to continue to grow. Therefore, FY2014 are slightly lower than FY2013 actual. In the following years, projections slightly increase due to a slight projected increase in valuations.

Tangible Personal Property Tax (Line 1.020) – Included in this line item is the PUPP (Public Utilities Personal Property Tax). With the phase out of Tangible Personal Property Tax Revenues, the District suffered a loss of \$4,300,000 from the 10/31/2010 forecast.

Unrestricted Grants-in-Aid (Line 1.035) - New formulas for state foundation payments and the reports resulting from the implementation of H.B. 59 (State biennial budget) are scheduled to begin in October, 2013. The Ohio Department of Education has announced that traditional schools will receive foundation payments based on the fiscal year 2014 formulas, but career tech districts will still be receiving payments based on FY2013 payments. Although preliminary estimates from the State present increases of overall (both Core and Career-Tech weighted) state foundation payments of 5.02% in FY2014 and 2.20% in FY2015, this forecast estimates an overall increase of approximately 2% in FY2014 and another 2% increase in FY2015.

Restricted Grants-in-Aid (Line 1.040) – 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”. The District is still awaiting the components for calculation of the

career-tech weighted funding. At this time, all indications for Career-Tech schools show a decrease in this weighted funding portion of the state foundation formula.

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 FY2013 actual receipts. This line item also includes \$88,000 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.

After generating \$168,108 in FY12, and \$89,405 in FY13, it is expected that interest earnings will continue to fall to approximately \$70,000 in FY13 and steadily decline thereafter until FY16 when no investments are projected.

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) – Negotiations between Pioneer Career and Technology Center and the Education Association of Pioneer took place in the spring of 2013. A two-year agreement has been reached and ratified. The salary increases of 3.5% in FY2014 and 2.5% in FY2015 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 that program has been restored in FY14. By the end of FY13, 16 staff members retired and another three retired as of July 1, 2013. Of those 19 retirements, 5.5 will not be replaced. Most others have been 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. This forecast reflects the salary of 1.33 of those employee salaries being charged back to the General Fund in FY14.

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 2014 have decreased 15%. For FY2015 thru 2018, a 7% raise in health insurance premiums has been projected.

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 2014 through 2016 reflect a 3% inflationary increase and fiscal years 2017 and 2018 reflect a 5% inflationary increase.

Supplies and Materials (Line 3.040) – Expenses in this category have remained steady. Those expenses include textbooks, supplies, equipment and educational software. Fiscal years 14 – 18 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. FY14 includes \$9,009 in interest for the Energy Savings Bonds and \$526,575 in interest for the OSFC renovation project Certificates of Participation.

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 14 – 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 will be funded by the 070 Capital Projects Fund which as of fiscal year-end 2013 had an unencumbered balance of \$1,313,223.27.

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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Please visit the Ohio Department of Education website at
<ftp://ftp.ode.state.oh.us/geodoc/5-yrForecast/>