

## **TECUMSEH LOCAL SCHOOL DISTRICT IRN #046243 2016**

### **FIVE-YEAR FORECAST ASSUMPTIONS MAY 2016**

#### **As stated on the Ohio Department of Education Five-Year Forecast Webpage:**

“The reader should remember that a forecast is somewhat like a painting of the future, which is based upon a snap shot of today that has been adjusted to reflect all known activities of the future along with certain assumptions and predictions of what may happen. In other words, it is a living document that becomes outdated once any additional information has come to light, which may introduce new known events or changes in assumptions for the future. As such, the five-year forecast is a good planning tool at best and will change periodically as updated information becomes available. School districts are encouraged to update their forecasts with the Ohio Department of Education when events take place that will significantly change their forecast.\_

#### **01.010 General Property Real Estate**

**Used the effective mills supplied by the Clark County Auditor. 20 Mills for Class I and Class II in the General Operating Levy (Effective Mills); essentially when a district reaches the “20 Mill Floor\_ it is no longer subject to HB920 millage rate reduction factors that limit inflationary growth resulting from real estate. Estimated the collections for FY2007 to be approximately 98% collection (2% delinquencies), past delinquencies were collected in FY 2006; this may vary year to year. Estimated new construction for Calendar years 2009 through 2012 approximately 1.15% annually; Calendar Year 2007 originally projected 8% increase—reappraisal; the 8% was conservative from historical data, however, Clark County experienced some valuation errors, and the overall increase as of May 1, 2008 the estimated 2007 reappraisal increase/new construction is estimated to be approximately .5% (1/2%) (The valuation for 2008 tax year totaled approx \$289,687,000).**

**On February 8, 2005 two emergency levies were renewed for tax year 2005-2009, collected 2006-2010. (Emergency Levy #1 \$791,000; and Emergency Levy #3 \$1,315,398). FY 2011 approximately 50% of the Gross Amount of Emergency Levy #1 and Levy #3 is deducted from line #1.010 and entered on line #11.020; (Typically the Gross amount is split between line 1.010, 1.020, and line 1.050 respectively). FY 2012 approximately 100% of the Gross Amount of Emergency Levy #1 and Levy #3 is deducted from line #1.010 and entered on line #11.020; (Typically the Gross amount is split between line 1.010, 1.020, and line 1.050 respectively). Emergency Levy #1 and Emergency Levy #3 appear on line 11.020 until the levies are renewed. Upon renewal the levies will appear on lines 1.010, 1.020, and 1.050 respectively.**

**Emergency Levy #1 and Emergency Levy # Renewals passed on May 6, 2014.**

**Levy #2 Renewed for \$712,000 passed November 2011.**

**Moved Public Utility Personal Property to line #1.020 from line #1.010 effective FY 2007 and thereafter.**

**2014-2018 Property Valuations are currently declining in some areas, so the values remain approximately the same and showed minimal new construction growth in FY 2014-2018; this area will be monitored closely and adjustments will be made as needed.**

**2015-2019 Property Valuations are currently declining in some areas, so the values remain 2019; this area will be monitored closely and adjustments will be made as needed.**

**2017-2020—This area will be monitored closely and adjustments will be made as needed.**

**01.020 Tangible Personal Property**

**FY 2006 received approximately \$613,000; FY 2007 moved Public Utility Personal Property from line #1.010 (it is received with real estate settlements and in the past was posted to line 1.010) to line #1.020. FY 2016-2020 reduced in accordance to HB 66; Public Utility Personal Property included on this line.**

**01.030 Income Tax N/A**

**01.035 Unrestricted Grants-In-Aid**

**FY 2008 used foundation level per pupil \$5,565 and adjusted cost of doing business factor 1.00 used an estimate Formula ADM of 3,145; for FY 2009 used Formula ADM of 3,098 and foundation level per pupil \$5,732. ;**

**FY 2010-2011 Pathway to Student Success :An Evidence-Based Model—New State Funding; pending upcoming gubernatorial race.**

**FY 2013-2017 Bridge Fund Formula Calculation Form –Subject to change\_ Currently in FY2012 Foundation adjusted to formula ADM, EMIS (Education Management Information System) has downloaded our ADM to the state, we may need to adjust line 1.035;**

**Update: May 2013—Increased 2014 by approx \$573,000 and increased 2015 by approximately \$450,000. This is subject to change—this is just an estimate will change when the Budget is approved for 2014 & 2015. There are many unknowns at this time, such as vouchers, in lieu of payments—transportation; preschool funding; formula; etc.**

**Update: October 2013: Showing the Foundation for 2014 as \$15,992,382 the maximum would be \$16,176,360 ADM is down approximately 100 students and the Transportation mileage and student usage is down. Increased 2015 Foundation to \$17,187,176 this is subject to change based on many factors, ADM, Transportation, LEP students, Special Ed Students, etc.**

**Held the unrestricted foundation constant for \$17,187,176 + approximately 380,000 from the restricted for the 2016-2019. 2015 is the end of the biennium; the**

**Update: October 2014** (The TPP Reimbursement moved to line #1.050 in Oct. 2006)

**foundation could increase/decrease impacting the bottom line dramatically. We will monitor continuously and update the Five-Year Forecast as needed.**

**UPDATE: May 2016:**

**foundation could increase/decrease impacting the bottom line dramatically. We will monitor continuously and update the Five-Year Forecast as needed.**

**UPDATE: October 2015:**

**The Unrestricted Foundation is based off of the ADM count and HB64—The amount may increase/decrease pending adm—pulled twice a month via EMIS (Educational Management Information System) the state software that houses all the information on our students, staff, schools. FY 2016-2020**

**UPDATE: May 2016: Same as above.**

**Update: October 2014: Restricted Grants-in-Aid estimating \$684,482; remaining**

Adjusted in May 2016 to reflect the #2 May 2016 foundation payment YTD: 2017-2020 holding steady.

**01.040 Restricted Grants-In-Aid FY 2006 \$252,465 (Reimbursement for regular school bus, Weighted Voc Ed, Poverty Based Assistance); FY 2012 Ed Jobs \$901,765 subject to change pending statewide participation FY 2013-FY2017 approximately \$91,000--Weighted Voc Ed. (note in FY 2013 shows \$160,000 Ed Jobs carried over to pay July and August salaries with the \$91,000 weighted funds-\$251,000).**

**Update: May 2014: Restricted Grants-in-Aid as of May 2014; \$632,596.00 career tech and Economic Disadvantaged Funding.**

**years \$91,000 each year respectively.**

**Updated: October 2015 Restricted Grants-in-Aid as of \$74,444 Career Tech and approximately**

**\$565,000 for Economic Disadvantaged Funding (we have used to help fund all day every day KG)**

**Updated: May 2016 Restricted Grants-in-Aids as of 114,683.53 Career Tech and approximately \$539,603.42 for Economic Disadvantaged Funding (we have used to help fund all day KG).**

**01.045 Restricted Federal Grants in Aid-SFSF/Ed Jobs FY 2010-2011  
approximately \$995,000 each year-SFSF Funds**

**ODE -Education Stabilization Fund**

**Description of Fund**

“Ohio has been allocated \$845 million from the ARRA in State Fiscal Stabilization Funds (SFSF) to help stabilize state and local budgets in order to minimize and avoid reductions in education and other essential services. Education SFSF for primary and secondary education will be distributed to school districts as part of the foundation settlement payments each month \_ total foundation support will include both state and federal SFSF funds.\_

Education Jobs Fund Information  
**Description of Fund**

The Education Jobs Fund (Ed Jobs) was included as part of federal legislation passed on August 10, 2010. The program provides \$10 billion for states to save or created education jobs for the 2011-2012 school years. Ohio is estimated to receive \$361 billion from this program. Tecumseh opted to use 100% in FY 2012.

**01.050 Property Tax Allocation HS/RB is based off the General Fund and Emergency Levy collections; TPP Reimbursement will be posted under 1.050.; Note: FY 2011, FY 2012, FY 2013 and FY 2014 reduced—included on line #11.020. (Due to the expiration of Emergency Levies #1 and #3). Also, Senior Citizens 65 years and older that filed for the additional R.E. reduction would be posted to this area when the State of Ohio reimburse the school as with HS/RB. Update: May 2016 reduced slightly FY 2017-2020 (pending renewal \$712,000 emergency levy).**

**1.060 Other Revenue**

**FY 2006 \$1,354,911-The estimate for this category encompasses a number of revenue sources. Investment interest rates are slightly higher in FY2006. In the past Montgomery County Educational Services (MCES) contracted with Tecumseh Local School to use Tecumseh's bus drivers to drive MCES special ed bus(es), in FY 2005 this was discontinued, approximately \$40,000 was reduced in revenues and expenditures. Miscellaneous Revenues such as Receipts for revenue in lieu of taxes, classroom fees, workbook fees, pay to participate fees, open enrollment, ROTC reimbursement from the government, and miscellaneous local receipts are included on line #1.060 and subject to change.**

**In FY 2006 (Phase I cuts were implemented—Pay to Participate and charge community for facility usage); FY 2007 Increased Slightly--Phase II implemented, anticipate a decrease on incoming open enrollment at this time not sure of interest rates this line is subject to change; Increased 2008 approximately \$164,876. Increased slightly FY 2009-2014 not sure of pay to participate participation, interest rates unknown (the economy is uncertain), open enrollment in increased FY 2010 (225 students as of October 2009).**

**FY 2013-2017 held constant subject to change based on the economy, open enrollment, fees, interest rates, etc.**

**October 2013 update: 2014 decreased the open enrollment in by 20 students based on current**

**Update: October 2014: Held constant could increase or decrease pending the open enrollment in, fees, interest rates, etc.**

**information—then held constant for remaining years. Other Financing Sources:**

**FY: May 2016--\$18,94,693. Used the same figure FY 2017-FY 2020. May increase/decrease.**

**02.010 Proceeds from Sale of Notes: N/A**

**02.020 State Emergency Loans & Adv. N/A**

**02.040 Operating Transfers-In N/A**

**02.050 Advances-In N/A**

**02.060 Other Financial Sources N/A**

**02.070 Total Other Financing Sources Used**

**Prior History**

**02.080 Total Revenues and Other Financing Sources Expenditures:**

**03.010 Personal Services**

**Dependent on Grants remaining the same.**

**(Note at the end of 2003—5 teachers, resigned/retired and were not replaced; 1 bus driver retired and not replaced ; 1 Tech Director retired and not replaced) at the end of 2004 there were retirements/resignations 5 teachers not replaced, 2 administrators resigned one replaced, 2 lunch room monitors non-renewed, 3 bus aids non-renewed, and 1 handicap aid non-renewed ; FY 2006 based on the current staff increased 1.70 step increase and 1% increase on the base and 1% lump sum based on 2005 school year, also, sick pay/sub pay, overtime, tutor, etc. were down, the following either retired or resigned in FY 2006—2 custodians, 1 secretary, 1 bus driver, 1 bus aid, 1 teacher (Grant). The sub pay estimate is based off a 7-year average, it may be greater or lesser, resulting in a variance in the total personal services, it is possible that some staff members may run out of sick pay and be docked this will reduce the total personal services expenses. In addition to the above retired/resigned personnel FY 2006 implemented Phase I (reduced field trips, eliminated 2 assistant middle school principals, eliminated 5 teaching positions, reduced one technology position, eliminated ESL, modified detention hours); FY 2007 a 1% on the base salary and a 1.7% average step increase; Implemented Phase II cuts eliminated all day every day kindergarten –eliminated 7 teaching positions; eliminated an additional 2 teaching positions; reduced MS/HS extended time by 50%, eliminated after school detention at THS, eliminate Friday after school detention at MS, reduce overtime—FY 2008 eliminated an administrative position;11 certified positions retired/resigned 7 of the 11 replaced—4 positions eliminated; 7 classified positions retired/resigned as of present 4 positions not filled; added 3 MD classes—staff (dropped the services with Clark County ESC-reduced line #3.030) FY 2008 (3% salary increase + 1.70% step increase); FY 2009 (2% Increase Beginning FY2009—Classified; FY 2009-Certified 3% Beginning 1/1/2009);FY 2010-Certified 2.2% Increase; FY 2010 Classified**

**Increased 2.2% calculated on 3% Base Increase on the FY 2008, in lieu of the 2% increase that was actually received in FY2009. (An example would be a person earning \$10.00/hour end of FY 2008, received \$10.20/hour for FY 2009; however, for calculating purposes only the amount that would be calculated would be \$10.302/hour as the base for FY2009; Then in FY 2010 \$10.302 would become \$10.53/hour).**

**During FY 2009: 2 Teachers resigned and were replaced for FY09 with Substitute Teachers.**

**May 2009 the following positions were cut/or not replaced when staff retired or resigned for FY 2010: 2 PE Teachers, 2 Math Teachers, 1 Consumer Science Teacher, 1 Art Teacher, 1 Special Ed Teacher. 1 Monitor.**

**May 2010-Eliminated 6 Certified Positions, 1 Classified Position**

**The following was for October 2010 Five Year Forecast:**

FY 2011--.75% increase \_ in exchange for eliminating the retirement incentive. FY2012—Added all day every day kg in projection—no salary increase steps only.

FY 2013-2015--1.7 % step increase current staff. (0% on the base salary).

**The Following is for May 2011 Five-Year Forecast:**

FY 2011 --.75% increase-in exchange for eliminating the retirement incentive. FY 2012-2015 (Dropped all day everyday kg as shown in Five-Year Forecast for October 2010—not required).

FY2012-2015—1.7% Step/Column Increase; No increase on the base.

Cut 26.5 positions in 2012.

**The Following is for October 2011 Five-Year Forecast**

FY 2012; 0% increase, No Steps, Columns Only FY 2013-FY 2016 ; 0% increase, Steps, Columns Cut 26.5 positions in FY2012

**FY 2017 Staff resigned/retired—did not replace positions.**

**FY2014—15 retirees; 4 resignations—plan to not rehire 5 of the 19; also salaries will be lower than the retirees/resignations. However, we do not have the replacements hired as of yet. We will adjust accordingly.**

**October 2013 Update for 2014:**

**The payroll decreased approximately \$770,750 for fy 2014 compared to fy 2013. Fy2015: if the foundation remains calculated in hiring 5 kg teachers, principal, custodian, secretary to have all day every day KG; will be funded 1 FTE in lieu of .5 FTE for the Foundation and one 3rd grade teacher. This has to do with 3<sup>rd</sup> grade guarantee.**

**Update: October 2014**

**Retirees and Resignations Effective 2015:**

12 teachers, 1 principal, 2 secretaries;  
1 mechanic, 1 aid, 1 bus driver, 1 Asst.

to the Treasurer, 1 custodian, 3 aides

**Replacements:**

12 teachers, 1 principal, 1 mechanic, 1 secretary, 1-custodian, 3 aides, 1 bus driver

**New Positions:**

Virtual School Coordinator, 5 KG teachers, Nurse (was nurse's aid), Interpreter, Curriculum Coordinator, Special Ed Teacher, Elementary P.E. Teacher, Custodian (part-time), Art Teacher @ TMS,

Base Salary Increase—0% FY 2015-2019 Step Increases—2 Steps if applicable FY 2015; 1 Step FY 2016-2019

Restricted Funds paying for KG Teachers. (goes towards paying all day every day KG)

Effective 2017: Base Salary Increase 0% FY 2016-2020-No base increase calculated only step increases calculated.

**May 2016 Update:** Base increase 3% 2017+ Steps; Base Increase 2.75%+Steps in FY 2018, FY 2019-2020 Increase 0% on base steps only.

**03.020 Employers\_ Retirement/Insurance Benefits**

**FY 2006 (Phase I cuts reduced fringe benefits) FY 2007—reduced benefits in accordance with Phase II salary cuts; Note: FY 2008 -0% health insurance increase, approximately \$280,000 refunded from EPC for health insurance. FY 2010 approximately 5% increase for health insurance per The EPC (Educational Purchasing Co-op); FY 2012-10.6% increased health insurance (Employees contribution increased to 16% in lieu of 15% therefore the net was 9.6% for the Board's share) FY 2013 insurance premiums increased 8%--employees contribution increased to 17% in lieu of 16% therefore the net increase was 7% increase for the BOE. FY 2014-2015 increased insurance by 6.5% per year; FY2016-2018 increased by 11% and maintained approximately 15.50% of salaries for retirements/worker's comp and unemployment, line #3.020 also includes tuition reimbursement,, and other employee benefits.**



Benefits reduced with the staff cuts; in 2015 added insurance for additional staff listed above.

**03.030 Purchase Services**

<p>Update October 2014 2014—2015 6.5% Increase Health Insurance; 2016-2018; 8% Increase Health Insurance. 2015 picked up 2% of Employee's Retirement; 2016 reduced 2% pick up to 1% of Employee's Retirement, 2017-2019 no retirement pick up.</p>
<p>2014-15.50% Medicare, Board Share of Retirement, W/C. 2015-17.50% Medicare, Board Share of Retirement, W/C; 2% of Employee's share Of retirement. 2016-16.50% Medicare, Board Share of Retirement, W/C; 1% of Employee's share Of retirement. 2017 &amp; 2018 --15.50% Medicare, Board Share of Retirement, W/C.</p>

FY2018-2020- 2016= 0% Increase on Health Insurance; 2017-2020; calculated 8% each year Health Insurance; STRS & SERS pickup employees 1% 2016; 2017-2020 0% STRS/SERS pickup employees. 14% employer's portion of STRS & SERS, Medicare, W/C.

FY 2006 reduced (Closed McAdams, eliminated Clark County Academy, eliminated Clark County Safety, Cut 2 days psych services, cut speech supervision, cut LD/CD gifted supervision, reduced professional development, eliminated Honeywell Contract) increased budget for potential increases in insurances and utilities. FY 2013-2017 made adjustments for open enrollment out, increased utility costs, (will be monitoring utilities monthly and making adjustments as needed). FY 2008 dropped MD classes with Clark County ESC—staff hired through Tecumseh. Adjusted the utility costs for FY2010; adjusted repair and maintenance costs-approximately \$150,000 qualified for fund #034 (maintenance fund) in lieu of fund #001 (general fund). Continue to monitor allowable expenditures to be expensed from #034 in lieu of general fund.

Update October 2013 for FY 2014: As of this time increased Community Schools by 45 students; Open Enrollment out increased by 13 students; Preschool expense increased by \$138,400.

Update October 2015: Increased slightly each year—we are anticipating reducing community schools and open enrollment costs with our in house on line school.

Update May 2016: Insurance increased 9% in FY 17; Calculated 8% in FY 18-20;

Update October 2014:

Increased 2015 by 2%; FY 2016-2018 by 1% each year, FY 2019 no increase.

**03.040 Supplies Materials**

FY2004-2015 froze instructional supplies @ 65% of the FY 2003 appropriations; and FY 2012-\$969,420; FY 2014-2018 held expense constant may have to revise. (for supplies

**other than instructional, suspended purchase of textbooks in forecast). This area includes fuel for busses, bus/maintenance supplies, and misc. supplies**

**FY 2017-2020 Increased 1% annually**

**03.050 Capital Outlay**

**FY 2017-2020 \$136,382 Annually**

**03.060 Intergovernmental**

**04.010 Debt Services: All Principal (Historical)**

**04.020 Debt Service: Principal-Notes**

**04.030 Debt Service: Principal-State Loans**

**04.040 Debt Service: Principal—State Advancements**

**04.050 Debt Service: Principal HB 264 Loans**

**04.055 Debt Service: Principal-Other**

**04.060 Debt Service: Interest and Fiscal Charges**

**2004 5-year Assumptions**

**04.300 Other Objects:**

**FY 2012-estimated \$272,594; FY2013-2017 increased approximately 2%/ year may adjust later.**

**Update: May 2014 FY 2014 \$310,690 and increased 2% FY 2015-2018.**

**Update: May 2015: FY 2016 \$427,346; FY 2017-2020 \$435,893.**

**04.500 Total Expenditures: Other Financing Uses**

**05.010 Operational Transfers-Out**

**05.020 Advances-Out**

**05.030 All Other Financing Uses**

**05.040 Total Other Financing Uses**

**05.050 Total Expenditure and Other Financing Uses**

**06.010 Excess Rev & Other Financing Sources over (under) Exp**

**07.010 Beginning Cash –Fund #455 no longer valid changed to 499, changed 2003-2006.**

**07.020 Ending Cash Balance: Balance may vary due to factors out of our control such as salary (sick pay, sub pay, necessary overtime, tutoring, home instruction, etc.); Liability Insurance, Fleet, Health, and Property may adjust. ADM may vary for unrestricted, open enrollment in and out, real estate taxes may increase/decrease, tax delinquencies.**

**08.010 Encumbrances: FY 2017-2020 (950,000)**

**09.030 Budget Reserve: FY 2015-2019 (544,596)**

**09.040 Restricted Funds: ADM Forecasts: Subject to Change**