

SPRINGBORO COMMUNITY CITY SCHOOLS

REVISED FIVE YEAR FORECAST 2010-2014

May 2, 2010

ASSUMPTIONS

The forecast requires that assumptions be made about future events to support projections. The following assumptions were made in preparing this forecast.

General Property Tax Line 1.01

- The Co. Auditor completed the triennial update of the county's property values. Values dropped between 8-12%. This will mean a decrease in the districts inside millage revenues.

Tangible Personal Property Tax – Line 1.02

- A decrease of 88% in Tangible Personal Property Values for FY2009 is expected as the legislated phase-out of the state "inventory tax is implemented.

Unrestricted Grants-In-Aid – Line 1.035

- HB1 reduced State funding 1% in FY10 and 2% in FY11.
- The State Fiscal Stabilization funds passing through ODE to the district are reflected in the Restricted Grants in Aid line thus causing this line to be reduced compared to the prior year.
- The Board of Education now assumes the federal stimulus funds received in FY10 and FY11 will not be replenished in FY2012. A decrease of \$1.1 million is expected in FY12 and is reflected as a decrease to Unrestricted Grants in aid as we had previously accounted for receiving the funds from the state.
- Based upon the economic recession and our current decrease in enrollment growth we estimated student enrollment growth to remain steady at 200 new students per year.

Restricted Grants-In-Aid - Line 1.04

- Restricted Grants-In-aid now reflects receipt of the State fiscal Stabilization funds passed through ODE from the federal government. This line also includes a grant for the Air Force for our ROTC program.

All Other Revenues – Line 1.06

- All Other Revenues includes the following new revenues:
 - ✱ 100% Pay to Participate fee collections in FY10 = \$350,000. Pay to Participate fees are assumed to be reduced to a nominal fee for the FY12 school year.
 - ✱ Co. Auditor Refund of Tax Collection Fees = \$440,000. This is a one time refund.
 - ✱ Greens of Bunnel Hill Tax Incremental Finance Agreement Payment = \$300,000. This is a one time payment.
 - ✱ The Board of Developmental Disabilities agreed to pay the district \$5,000 per special needs pre-school student, per year, beginning September 1, 2009. This amounts to an estimated \$480,000 per year for 3 years.

Personal Services – Line 3.01

- Base pay raises:
 - FY10 = 0%
 - FY11 = 2% & 1% Merit Pay
 - FY12 = 2.7%
 - FY13 = 2.5%
 - FY14 = 2.5%

- Planned New Hires:
 - FY11 = \$400,000
 - FY12 = \$400,000
 - FY13 = \$500,000
 - FY14 = \$500,000

- All Day Kindergarten is planned to begin in FY2012 at a cost to the District as follows:
 - ✱ Teachers = \$500,000
 - ✱ Bus Drivers = \$50,000
 - ✱ Support Staff = \$50,000
 - ✱ Re-open Jonathan Wright = \$400,000TOTAL COST = \$1,000,000

- Federal Stimulus funds received to offset costs of Special Education Program in FY10 = \$450,000. This will not be received in subsequent years.

Personal Services – Line 3.01 (Continued)

- Budget reductions approved by the Board of education in May 2009 for the FY10 school year are as follows:

<u>FY10 Reductions</u>	=		<u>Re-Instated</u>
- Central Office Secretary	=	\$49,415	FY12
- Transportation Secretary	=	\$50,000	FY12
- HS Bussing	=	\$150,000	FY12
- Account Clerk	=	\$55,120	FY12
- Custodians	=	\$100,000	FY12
- Overtime & Comp Time	=	\$15,000	FY12
- Summer help	=	\$20,000	FY12
- Curriculum Coordinator	=	\$80,000	FY12
- District Registrar (50%)	=	\$42,932	TBD
- JW Closure	=	\$100,000	FY12
- Technology Repair	=	\$45,000	TBD
- 2 Mile Bussing(1/2 year)	=	\$172,500	FY10
- Building Receptionists	=	\$71,269	FY12
- Special Ed. Coordinator	=	\$80,000	TBD
- Opening of JW (Kindergarten)	=	\$400,000	FY12
- Textbook Purchase	=	\$300,000	FY12 (Partial)

Employees Retirement/Insurance benefits - Line 3.02

- A decrease of 8% in medical premiums is expected in FY10 as the district will reap the effect of instituting a high deductible Health Savings Account program in March of 2009.
- An increase of 15% in FY11 and 10% in each subsequent year is expected in medical premiums.

Supplies and Materials – Line 3.04

- Board of Education budget cuts reduced supplies and materials for the district. The primary cut was to textbook purchase funds = \$300,000.
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Intergovernmental – Line 3.06

- Lease payments made in FY09 for the Educare facility were paid erroneously from the General fund. This negative entry removes the prior year expenditure from the General Fund. A corresponding expenditure was posted to the Educare Fund.

Principal Notes – Line 4.20

- In FY09 we borrowed \$500,000 to partially fund the employee's share of the High Deductible Health Savings Account. This expenditure reflects paying the note back in FY10.

Budget Reserve – Line 9.03

- The Board of Education maintains a budget reserve of \$1,008,209. This reserve equates to 2.4% of budgeted expenditures for FY10.

Property Tax Renewal – Line 11.02

- The district has an emergency operating levy of \$9,270,300 expiring 12/31/2013. If renewed prior to 12/31/2013 the district will receive a half year collection of the renewed levy in FY14 and a full year in FY15.