

Greene County Career Center  
Five-Year Forecast  
Fiscal Years 2021-2025



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# OFFICIAL NOTES FOR THE FIVE-YEAR FORECAST

## Current Economic Conditions

At this writing, we continue to be in the midst of the COVID 19 Pandemic. It is unknown the full extent of the long and short-term effects to the global, state, and local economies, and ultimately the district finances due to this unprecedented event. For Fiscal Year 2020, as learning was remote for the fourth quarter, some expenses decreased, including supplies, transportation, substitute and professional development costs. There have been increased costs for sanitization, remote learning needs and to comply with State orders. However, so far there have been adequate grant funds to cover most of the additional costs, apart from all of the FFCRA leave costs.

## Take Flight Aerospace Initiative

In November 2018, the voters approved a bond initiative to allow the District to build a new facility. The District moved to a new main campus to start the 2020-2021 school year. The new campus is 27% larger than the former facility and offers additional programming.

Construction was also completed at the Greene County airport to build a 7500 square foot airplane hangar to house an Aviation Maintenance Technician program. The addition of these two facilities have created a budget increase to cover extra staff, the increase in utilities, supplies, moving expenses and the like. The district currently still has possession of the former campus. A contents sale was held in February, and the property is under contract to sell. There have been carrying costs this year for the former campus. These costs are forecast only for Fiscal Year 2021. As we don't have a full year of utilities in the new building, it is difficult to assess the actual utilities. Electric and gas costs appear to be running slightly over the costs for the former facility.

## Revenue Assumptions

### REAL ESTATE TAXES

The Greene County Career Center receives property tax revenues from several counties: Greene, Montgomery, Clark, Clinton, Warren and Fayette. The main source of property tax income is derived from Greene County and the property tax assumptions in this forecast will be based solely on Greene County.

Property values are established each year by the County Auditor based on new construction and appraisal values. Property tax revenue estimates are based on historical growth patterns for new construction, complete/updated appraisals and current economic conditions. The county underwent a reappraisal in 2020.

Greene County is broad mix of residential, agriculture and commercial businesses. Property tax revenues had begun to show a slight increase rebounding from the recent recession with more notable recovery evident in the reappraisal. Overall property valuation for the district is at \$4,759,540,700. However, due to HB920 enacted in the 1970's, our effective millage is adjusted to offset any increase or decrease in property values allowing the district to maintain our current level of generated tax revenues. Collections were higher in Fiscal Year 2018, as taxpayers paid a full year of property tax before December 31, 2017 to take full advantage of income tax deductions before they were lost due to tax reform. This caused the Fiscal Year 2019 collections to show a decrease from the prior year. The district has realized an increase of 4.77% this year. For future years, the forecast assumes .5% annual increase to the property tax revenue to allow for new construction.

### SCHOOL FOUNDATION & CASINO REVENUE

#### Foundation – State Funding

The State biennial budget effective in July of 2019 modified the state funding we receive, freezing Career Tech Weighted and Special Education funding at Fiscal Year 2019 levels. Therefore, even though the District has added programming and enrollment has increased, there is not a correlating increase of funding to support the growth. The District will receive Student Wellness and Success Funds for Fiscal Years 2020 and 2021, the two

years of the State biennium budget. For Fiscal Year 2020 we received \$134,092. For Fiscal Year 2021 the district received \$220,460.41. These revenue amounts are excluded from the Five-Year Forecast. The district is however utilizing these funds to offset existing program costs. Those expenditures in the forecast have been reduced to allow for this in Fiscal Years 2020 and 2021.

State funding levels have been frozen since fiscal year 2019. The Governor's current budget proposal for the next biennium calls for funding to remain at the fiscal year 2019 levels. There is, however, legislation pending that would drastically reform school funding. For projection purposes, state funding is shown with no increase through the forecast.

#### Casino Revenue

In 2009, Ohio voters approved four casinos to be operated in the state. A portion of the tax revenues generated by the casinos is allocated to school districts. There are two disbursements annually. This amount fluctuates based on the casino tax revenue received by the state and our student headcount. Revenue projections are based on actual past amounts received. Due to the pandemic this revenue has dropped substantially. A 47.8% decline was realized in the first payment of Fiscal Year 2021 with the second payment the decline for the year overall is 29%. The decline is reflected in the forecast.

#### ALL OTHER REVENUES

Other Local Revenues include building and grounds rentals, student/class fees, open-enrollment revenues and interest on investments.

#### Expenditure Assumptions

##### SALARIES

Salaries are calculated using salary schedule step increases, negotiated raises and anticipated staffing levels. Through Fiscal Year 2022, collective bargaining agreements with the Certified and Classified staff are in place as well as administrative and classified exempt staff salary schedules. Step movements and raises are included as follows: Certified & Administrative Staff, Fiscal Year 2021, 3.5%, Fiscal Year 2022, 2%. Classified Staff will receive step movements and raises of: Fiscal Year 2021, 3.25%, Fiscal Year 2022, 2.75%. It should be noted for fiscal year 2021, GCCC moved to a new location where staff are subject to a 2.25% municipal income tax. For Fiscal Years 2023, 2024 and 2025 as actual raises are unknown, only step movements are included in the forecast.

Staff are paid on a biweekly basis. Typically, there are 26 pay dates in each fiscal year. However, Fiscal Year 2023 includes twenty-seven and Fiscal Year 2025, twenty-five pay dates. The remaining years reflect twenty-six pay dates.

In Fiscal Year 2021 four new teaching positions, one new administrator and one new classified position were added. For Fiscal Years 2022 and 2023 four additional teaching staff members are projected each year. The actual addition of these positions will be determined based on enrollment and need.

##### BENEFITS

The largest expenditure in employee benefits is employer retirement contributions to the State Teachers Retirement System (STRS) and School Employees Retirement System (SERS). The employer contribution is 14% of wages paid for STRS and SERS, plus an additional 1.5% (surcharge) to SERS for employees earning less than \$23,000. Employees hired by the District after April 1, 1986 are required to pay Medicare taxes. The District is required to pay a matching 1.45% on all salaries and wages for these employees.

Insurance costs (Medical, Dental, and Vision) are of constant concern. The insurance year begins on October 1. Fiscal Year 2021 includes a 7.5% increase on Medical and a 2% increase on Dental and Vision. Bargained

agreements limit the Board's increase in contribution to 10%. Therefore, the projections include 10% for health insurance and 5% for dental and vision for Fiscal Years 2022-2025. No life insurance increases are included in the projections.

The District maintains a termination benefits fund to cover severance costs and a worker's compensation fund to cover premiums. 1% of payroll is deducted and paid to the termination fund on a monthly basis. Prior to Fiscal Year 2015, the Worker's Compensation Fund was funded similarly. However, beginning that year, the balance was sufficient to allow the District to stop the transfer. Since that time the District has continued to receive refunds of Worker's Compensation premiums. Therefore, the fund remains adequate to cover premiums throughout the forecast.

#### PURCHASED SERVICES

This category includes utilities, consultants, rentals, leases (postage machine, gas cylinders), data processing services, trash collection, equipment repairs, legal costs, transportation, substitute teachers and professional meeting expenses. Beginning with Fiscal Year 2021 this category includes costs for a School Resource Officer. Other existing purchased services not impacted by the new facilities are projected to increase 2%, fiscal years 2022-2025.

#### SUPPLIES & MATERIALS

This category includes all consumable supplies that are purchased to operate the school district. Specific examples of purchases made within the category include textbooks, paper, software, instructional supplies, periodicals, magazines, cleaning/custodial supplies, building supplies for repair and maintenance, fuel, tires, parts and supplies for district vehicles, etc. For Fiscal Year 2021 a minimum 5% increase is included in most categories as a greater need of supplies is expected with the move to a new location and the addition of new programming. An inflationary growth rate of 2% has been built in beginning with fiscal year 2022.

#### CAPITAL OUTLAY

Currently all capital purchases are made out of the Permanent Improvement fund and are therefore not included in this forecast.

#### OTHER EXPENDITURES

Miscellaneous expenditures are those not accounted for in the categories previously mentioned. Expenditures in this category include County Auditor and Treasurer fees for tax collections, organization dues and memberships, audit costs, election expenses, bank charges, and property and liability insurance. After an 8-year hiatus on Real Estate Assessment Fees, those fees resumed in Fiscal Year 2019. \$87,000 is allocated for Fiscal Year 2021 and includes 4% increases, years 2022-2025. Beginning with Fiscal Year 2018, the Board began paying some state recognized credentials for all our secondary students. However, beginning with Fiscal Year 2020 schools are required to pay for *all* credential attempts and will be eligible to receive partial state reimbursement for successful completion. Prior to the current requirement this cost was just over 11% of this line item. Projections have remained at this level. Property and Liability insurance is expected to increase with the new main campus and the addition of the airport facility. All other items assume an inflationary growth rate of 2% for planning purposes.

#### TRANSFERS/ADVANCES OUT

Transfers out reflect funds permanently paid from the General Fund to offset deficit balances in other funds. Historically transfers have been needed to offset deficit balances in the Food Service, Consumer Activity, and Adult Education funds. However, for the past four years, no transfers were needed. A transfer of five-million dollars was made to fund 070, Capital Improvement Fund in Fiscal Year 2018. This fund will support capital endeavors of the district. A \$5,500,000 transfer to support capital projects and other future district endeavors is planned for this year.

# Greene County Career Center

Greene

Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Years Ended June 30, 2018, 2019 and 2020 Actual;  
Forecasted Fiscal Years Ending June 30, 2021 Through 2025

	Actual				Forecasted				
	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Average Change	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
<b>Revenues</b>									
1.010 General Property Tax (Real Estate)	\$7,706,481	\$7,619,468	\$7,874,339	1.1%	\$8,250,000	\$8,291,250	\$8,332,706	\$8,374,370	\$8,416,242
1.020 Tangible Personal Property Tax	0	0	0	0.0%	0	0	0	0	0
1.030 Income Tax	0	0	0	0.0%	0	0	0	0	0
1.035 Unrestricted State Grants-in-Aid	\$3,486,657	\$3,749,827	\$3,751,974	3.8%	\$3,694,065	3,694,065	3,694,065	3,694,065	3,694,065
1.040 Restricted State Grants-in-Aid	\$1,766,563	\$1,715,360	\$1,711,134	-1.6%	\$1,711,133	1,711,133	1,711,133	1,711,133	1,711,133
1.045 Restricted Federal Grants-in-Aid - SF5F	0	0	0	0.0%	0	0	0	0	0
1.050 Property Tax Allocation	\$958,086	\$958,433	\$963,268	0.3%	\$963,350	986,514	1,018,257	1,023,348	1,028,465
1.060 All Other Revenues	\$819,389	\$929,298	\$1,072,037	14.4%	\$935,200	935,200	935,200	935,200	935,200
1.070 <b>Total Revenues</b>	<b>14,737,176</b>	<b>14,972,386</b>	<b>15,372,752</b>	<b>2.1%</b>	<b>15,553,748</b>	<b>15,618,162</b>	<b>15,691,361</b>	<b>15,738,116</b>	<b>15,785,104</b>
<b>Other Financing Sources</b>									
2.010 Proceeds from Sale of Notes									
2.020 State Emergency Loans and Advancements (Approved)									
2.040 Operating Transfers-In									
2.050 Advances-In									
2.060 All Other Financing Sources	\$2,870	\$21,644	\$5,512	289.8%	\$5,500	3,000	3,000	3,000	3,000
2.070 <b>Total Other Financing Sources</b>	<b>2,870</b>	<b>21,644</b>	<b>5,512</b>	<b>289.8%</b>	<b>5,500</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
2.080 <b>Total Revenues and Other Financing Sources</b>	<b>14,740,046</b>	<b>14,994,030</b>	<b>15,378,264</b>	<b>2.1%</b>	<b>15,559,248</b>	<b>15,621,162</b>	<b>15,694,361</b>	<b>15,741,116</b>	<b>15,788,104</b>
<b>Expenditures</b>									
3.010 Personal Services	7,142,422	\$7,094,460	\$7,554,419	2.9%	\$7,464,172	7,818,845	9,465,371	9,558,241	9,681,022
3.020 Employees' Retirement/Insurance Benefits	2,834,901	\$2,937,193	\$3,051,575	3.8%	\$3,802,533	4,060,815	4,571,175	4,571,175	4,830,071
3.030 Purchased Services	1,101,568	\$1,329,928	\$1,129,634	2.8%	\$1,745,804	1,582,877	1,564,374	1,595,309	1,626,900
3.040 Supplies and Materials	671,051	\$630,721	\$569,311	-7.9%	\$824,587	841,254	858,079	875,241	892,746
3.050 Capital Outlay	0	0	0	0.0%	0	0	0	0	0
3.060 Intergovernmental	0	0	0	0.0%	0	0	0	0	0
Debt Service:									
4.010 Principal-All (Historical Only)	0	0	0	0.0%	0	0	0	0	0
4.020 Principal-Notes	0	0	0	0.0%	0	0	0	0	0
4.030 Principal-State Loans	0	0	0	0.0%	0	0	0	0	0
4.040 Principal-State Advancements	0	0	0	0.0%	0	0	0	0	0
4.050 Principal-HB 264 Loans	0	0	0	0.0%	0	0	0	0	0
4.055 Principal-Other	0	0	0	0.0%	0	0	0	0	0
4.060 Interest and Fiscal Charges	0	0	0	0.0%	0	0	0	0	0
4.300 Other Objects	204,856	\$294,808	\$230,474	11.0%	\$399,540	390,571	400,192	410,078	420,236
4.500 <b>Total Expenditures</b>	<b>11,954,798</b>	<b>\$12,287,110</b>	<b>\$12,535,413</b>	<b>2.4%</b>	<b>\$14,236,636</b>	<b>14,694,361</b>	<b>16,859,191</b>	<b>17,010,044</b>	<b>17,450,975</b>
<b>Other Financing Uses</b>									
5.010 Operating Transfers-Out	5,000,000	0	0	0.0%	5,500,000			0	0
5.020 Advances-Out	0	0	0	0.0%	0	0	0	0	0
5.030 All Other Financing Uses	0	0	0	0.0%	0	0	0	0	0
5.040 <b>Total Other Financing Uses</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>5,500,000</b>				
5.050 <b>Total Expenditures and Other Financing Uses</b>	<b>16,954,798</b>	<b>\$12,287,110</b>	<b>\$12,535,413</b>	<b>-12.8%</b>	<b>\$19,736,636</b>	<b>14,694,361</b>	<b>16,859,191</b>	<b>17,010,044</b>	<b>17,450,975</b>
6.010 <b>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</b>	<b>2,214,752-</b>	<b>\$2,706,921</b>	<b>\$2,842,851</b>	<b>-108.6%</b>	<b>(\$4,177,388)</b>	<b>926,801</b>	<b>1,164,830-</b>	<b>1,268,928-</b>	<b>1,662,870-</b>
7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	9,494,395	\$7,279,643	\$9,986,564	6.9%	\$12,829,415	8,652,027	9,578,828	8,413,998	7,145,069
7.020 <b>Cash Balance June 30</b>	<b>7,279,643</b>	<b>\$9,986,564</b>	<b>\$12,829,415</b>	<b>32.8%</b>	<b>\$8,652,027</b>	<b>9,578,828</b>	<b>8,413,998</b>	<b>7,145,069</b>	<b>5,482,199</b>
8.010 <b>Estimated Encumbrances June 30</b>	<b>1,276</b>	<b>\$3,273</b>	<b>\$9,605</b>	<b>175.0%</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>Reservation of Fund Balance</b>									
9.010 Textbooks and Instructional Materials		0	0	0.0%	0	0	0	0	0
9.020 Capital Improvements		0	0	0.0%	0	0	0	0	0
9.030 Budget Reserve	496,191	496,191	496,191	0.0%	496,191	496,191	496,191	496,191	496,191
9.040 DPIA		0	0	0.0%	0	0	0	0	0
9.045 Fiscal Stabilization		0	0	0.0%	0	0	0	0	0
9.050 Debt Service		0	0	0.0%	0	0	0	0	0
9.060 Property Tax Advances		0	0	0.0%	0	0	0	0	0
9.070 Bus Purchases		0	0	0.0%	0	0	0	0	0
9.080 <b>Subtotal</b>	<b>496,191</b>	<b>496,191</b>	<b>496,191</b>	<b>0.0%</b>	<b>496,191</b>	<b>496,191</b>	<b>496,191</b>	<b>496,191</b>	<b>496,191</b>
10.010 <b>Fund Balance June 30 for Certification of Appropriations</b>	<b>6,782,176</b>	<b>9,487,100</b>	<b>12,323,619</b>	<b>34.9%</b>	<b>8,130,836</b>	<b>9,057,637</b>	<b>7,892,807</b>	<b>6,623,878</b>	<b>4,961,008</b>