

Columbiana County Vocational School District
 Columbiana County
 Financial Forecast  May 2022

Description of the District

The Columbiana County Vocational School District is organized under section 3311.88 of the Ohio Revised Code. The District provides vocational education for 9 school districts serving students throughout 501 square miles of eastern Ohio, including Columbiana County and portions of Mahoning and Jefferson Counties. The District fosters cooperative relationships with business and industry, professional organizations, participating school districts and other interested, concerned groups and organizations to consider, plan, and implement educational programs designed to meet the common needs and interests of students.

General Assumptions

A series of assumptions were developed in order to project the individual revenue and expense amounts presented. The assumptions are based upon the best information known at the time the projections were developed. Since many circumstances and conditions assumed in the projections are beyond the control of the district, projections lose some of their validity the further into the future we attempt to project.

Revenue Assumptions

May Update: 2022 Total Revenues are \$295,067 or 4% greater than originally forecasted.

	November Forecast	May Update	% Change	\$ Change
Tax Collections	3,205,489.28	3,284,701.00	2.47%	79,211.72
State Funding for Schools	4,093,607.00	4,314,463.00	5.40%	220,856.00
Other Revenue	65,843.00	60,843.00	-7.59%	-5,000.00
	7,364,939.28	7,660,007.00	4.01%	295,067.72

1.010 Property Tax and 1.050 Property Tax Allocation
Approximately 34.5% of projected revenues

May Update: Collections for Fiscal Year 2022 are \$20,810 less than originally forecasted, which equals a 0.83% decrease.

The District collects a current expense levy with a voted rate of 2.80 mills and an effective rate of approximately 2.00 mills on real property. The effective rate is a result of the tax reduction factor in HB 920 that limits the amount a levy can generate to nearly the same level as originally approved by the voters. Projections include a small increase for new construction and a stable collection rate of 94%.

1.020 Personal Property Tax
Approximately 9% of projected revenues

May Update: Personal Property Tax Collections for Fiscal Year 2022 are \$100,022 greater than originally forecasted. Fiscal Year 2023 collections are based on estimates provided by the Columbiana County Auditor on Schedule B.

The amounts noted on Line 1.020 in the forecast are public utility personal property taxes. Collections include payments on the Nexus gas transmission pipeline. Nexus has appealed the state's valuation of the pipeline, asking that the values be reduced. The appeal is pending, but we have been informed by the county auditor that we may be required by the court to return to Nexus a portion of the money collected. The possible refund to Nexus if they win their appeal is \$78,400.

1.035 Unrestricted Grants-in-Aid and 1.040 Restricted Grants-in-Aid
Approximately 56% of projected revenues

May Update: State Foundation Funding for Fiscal Year 2022 is \$220,856 greater than originally forecasted. Increases include:

- *\$145,000 - Innovative Workforce Incentive Program*
- *\$50,082 - CTE Credential Reimbursement*
- *\$21,479 in 2022 and \$42,958 in 2023 for Career Awareness and Exploration*
- *\$4,295 Casino Revenue*

The Fair School Funding Plan makes several key changes to the state funding formula beginning in Fiscal Year 2022. The forecast is impacted as follows:

Open Enrollment students are now funded in the district where they are educated, which increases the amount received under line 1.035 Unrestricted Grants-in-Aid and decreases the amount received under line 1.060 Other Revenues. Open Enrollment funding totaled \$407,317 in 2021.

Student Wellness and Success Funds are moved to the General Fund (001) and are classified as Disadvantaged Pupil Impact Aid (DPIA) and Student Wellness. Previously, these funds were tracked separately and not included in the forecast. These funds are now included under line 1.040 Restricted Grants-in-Aid. Student Wellness and Success Funds totaled \$115,610 in 2021.

The Fair Funding Plan includes transitional aid to ensure no school receives less than Fiscal Year 2021 funding. The district received \$191,530.89 in Formula Transition Supplement in 2022. Estimates prepared by the state indicate CCCTC will be flat funded for 2022 and 2023. Projections for 2022 through 2026 include no increases.

1.060 All Other Revenues

Less than 1% of projected revenues

May Update:

2022 is the last year the District will receive REAP funding. The amount received in 2022 is \$38,843.

The district received \$20,000 in 2022 from the Columbiana County Health Department for COVID tracing. No funding is projected for 2023 through 2026.

REAP Funding, Mini Grants, and Rental of Property are included under all other revenues.

2.080 All Other Financing Sources

Included in this category are refunds from prior year expenditures and transfers in from unclaimed funds.

Expenditure Assumptions

May Update:

Total Expenditures for 2022 are 1.98% or \$152,184 less than originally forecasted. The majority of the reduction is from Transfers Out, which is reduced by \$100,000 due to the Lunchroom Fund (006) not requiring additional funding.

2023 Capital Outlay includes \$145,000 to purchase vocational equipment with the Innovative Workforce Incentive Funding received in 2022.

Increases for inflation are calculated at a higher rate than originally forecasted in November.

3.010 Personal Services (Wages)

Approximately 46% of total projected expenditures and other financing uses

Projections are based on expected increases in base wages and the anticipated effect of step increases. Two instructors are retiring in 2022. The District will fill one position in 2023 and the second position in 2024. Other staffing levels are projected to remain unchanged from 2022 through 2026.

3.020 Employees' Retirement/Insurance Benefits

Approximately 20% of total projected expenditures and other financing uses

This category includes board share of retirement (14% of wages), board share of Medicare, worker's compensation, insurance benefits, tuition reimbursement, and unemployment claims. Projections are based on forecasted wages and current employee benefit packages.

3.030 Purchased Services

Approximately 12% of total projected expenditures and other financing uses

Expenses for utilities, property insurance, liability insurance, professional development, repair/maintenance of building, professional services, security services, etc. are included in this category.

3.040 Supplies and Materials

Approximately 10% of total projected expenditures and other financing uses

This category includes expenses for instructional supplies, teaching aids, office supplies, textbooks, library books, newspapers, and periodicals.

3.050 Capital Outlay

Approximately 2.5% of total projected expenditures and other financing uses

This category includes expenses for the acquisition of equipment.

4.300 Other Objects

Approximately 2% of total projected expenditures and other financing uses

This category includes professional dues/fees, audit fees, tax collection fees, and general bonds.

5.010 Transfers – Out

Approximately 7.5% of total projected expenditures and other financing uses

Annual transfers are made to Food Service and Permanent Improvement.

The district operates a free breakfast and lunch program for high school students. The program is funded through transfers from the general fund, Federal meal reimbursements, and adult/a la carte sales.

Transfers to Permanent Improvement are earmarked for the acquisition of, or additions to, fixed assets having an estimated life or usefulness of five years or more. Included are expenditures for improvement of existing buildings and grounds; additions to buildings; construction of buildings; initial and additional equipment, furnishings and vehicles.

15.010 Unreserved Fund Balance June 30

The Unreserved Fund Balance is estimated to remain over \$3 million throughout the forecasted years.