

FIVE YEAR FORECAST

Revised May FY 2015
IRN No. 012867

County: Erie

Townsend Community School

Statement of Receipt, Disbursements, and Changes in Fund Cash Balances
For the Fiscal Years Ended June 30, 2012 through 2014, Actual and
the Fiscal Years Ending June 30, 2015 through 2019, Forecasted

Submitted: 5/26/2015

	Actual			Forecasted				
	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
<u>Operating Receipts</u>								
State Foundation Payments (3110, 3211)	\$1,129,233	\$2,200,447	\$3,048,692	\$4,400,000	\$5,200,000	\$6,000,000	\$6,700,000	\$7,400,000
Charges for Services (1500)	0	0	0	0	0	0	0	0
Fees (1600, 1700)	0	0	0	0	0	0	0	0
Other (1830, 1840, 1850, 1860, 1870, 1890)	133	3,463	7,322	4,600	5,000	5,000	5,000	5,000
Total Operating Receipts	1,129,366	2,203,910	3,056,014	4,404,600	5,205,000	6,005,000	6,705,000	7,405,000
<u>Operating Disbursements</u>								
100 Salaries and Wages	133,689	262,513	649,425	1,100,000	1,350,000	1,600,000	1,850,000	2,150,000
200 Employee Retirement and Insurance Benefits	50,352	161,916	475,679	650,000	780,000	950,000	1,150,000	1,350,000
400 Purchas Services	122,915	433,259	831,247	600,000	750,000	900,000	1,050,000	1,200,000
500 Supplies and Materials	200,752	337,196	579,014	750,000	900,000	1,100,000	1,250,000	1,400,000
600 Capital Outlay -New	46,729	84,855	94,079	400,000	100,000	75,000	50,000	50,000
700 Capital Outlay - Replacement	0	0	0	0	0	25,000	50,000	50,000
800 Other	2,932	12,005	38,344	105,000	260,000	390,000	390,000	390,000
Total Operating Disbursements	557,369	1,291,744	2,667,788	3,605,000	4,140,000	5,040,000	5,790,000	6,590,000
Excess of Operating Receipts Over (Under)								
Operating Disbursements	571,997	912,166	388,226	799,600	1,065,000	965,000	915,000	815,000
<u>Nonoperating Receipts/(Disbursements)</u>								
Federal Grants (all 4000 except fund 532)	0	0	0	0	0	0	0	0
Ed Jobs Grant	n/a	n/a	xxxxxxx	xxxxxxxxx	n/a	n/a	n/a	n/a
State Grants (3200, except 3211)	0	0	0	0	0	0	0	0
Donations (1820)	0	0	0	0	0	0	0	0
Interest Income (1400)	0	0	0	2,000	2,000	2,000	2,000	2,000
Debt Proceeds (1900)	0	0	0	0	0	0	0	0
Debt Principal Retirement	0	0	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0	0	0
Transfers - In	40,000	0	0	0	0	0	0	0
Transfers - Out	(40,000)	0	(1,500,000)	(1,000,000)	(1,250,000)	0	0	0
Total Nonoperating Revenues/(Expenses)	0	0	(1,500,000)	(998,000)	(1,248,000)	2,000	2,000	2,000

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	Actual					Forecasted		
	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
Excess of Operating and Nonoperating Receipts Over/(Under) Operating and Nonoperating Disbursements	571,997	912,166	(1,111,774)	(198,400)	(183,000)	967,000	917,000	817,000
Fund Cash Balance Beginning of Fiscal Year	0	571,997	1,484,163	372,389	173,989	(9,011)	957,989	1,874,989
Fund Cash Balance End of Fiscal Year	\$571,997	\$1,484,163	\$372,389	\$173,989	(\$9,011)	\$957,989	\$1,874,989	\$2,691,989

Assumptions

Best Estimate as of May 2015

Introduction

The Community School is located in Erie County and is sponsored by Margaretta School District. All legislative power of the Community School is held by the Board of Directors. The Community School is staffed by 3.5 classified employees and 21 certificated employees who provide services to approximately 600 (8/30/2014) Full Time Equivalency (FTE) students.

The financial forecast presents, to the best of the Townsend Community board's knowledge and belief, the expected revenues, expenditures, and operating balance of the General Fund based on the best and most current information available to us at this date. This financial forecast includes three years of historical (actual) data (FY12-FY14) and five years of (estimated) data (FY15-FY19). As a result, the forecast reflects the board's judgment of the expected conditions and expected future achievements as of May 2015. Differences between the forecast and actual outcomes will arise because of unforeseen circumstances.

State Foundation Payments

These projections are based on enrollment numbers by multiplying an average of \$5,800 x # of estimated FTE enrollment, plus an estimate of 28% additional for special education weighted aid and parity aid. FY15, 600 FTE; FY16, 700 FTE; FY17, 800 FTE; FY18, 900 FTE; & FY19, 1,000 FTE. At this time the State Budget has not passed the House or Senate so an increase in state foundation is not included.

Personal Services

Includes salaries and wages for regular employees, supplemental, and miscellaneous pay.

- Wages are calculated in accordance with existing salary schedules and historical patterns.
- A 3% base increase was approved for FY15 salary schedules.
- With the current economic conditions there is an assumption of 3% annual raise starting in FY16-FY19.
- Four teachers one Principal and two support staff were added in FY15.
- There is an assumption of hiring four additional teachers each year, FY 16 thru FY 19 as enrollment warrants.

Employees' Retirement/Insurance Benefits

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Actual					Forecasted		
Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
2012	2013	2014	2015	2016	2017	2018	2019

Includes board contributions for employees' retirement, workers' compensation premiums and costs, unemployment compensation, and employee health insurance benefits. The district of education pays 14% of each employee's salary to the State Teachers Retirement System (STRS) for certificated employees or to the School Employee's Retirement System (SERS) for classified employees. The board is also required to pay 1.45% of each employee's salary for Medicare tax. Health Insurance premiums are expected to increase at least ten percent each year over the forecast.

Purchased Services

Includes instructional services, IT fees, mileage reimbursement, tuition, legal fees, facility rental, building maintenance, shared service support, property insurance, telephone service, and computer consortium support. This line item was reduced for FY15 as FY14 included unusual expenses which included a reimbursement to sponsor district for a school bus and purchased to transport TCS students, high legal expenses to appeal an ODE FTE audit requiring repayment of state funding, as well as some payments which should have been paid in FY13. Future increases are due to additional contracted services to deal with increased enrollment.

Supplies, Materials and Textbooks

Amounts paid for material items of an expendable nature that are consumed, worn out from use. Includes textbooks, supplies for teachers, office supplies and materials, maintenance supplies. Textbooks make up the majority of this line item and are expected to increase in line with enrollment growth.

Capital Outlay

Includes new and replacement equipment. FY15 was increased due to new equipment needed for new building including network equipment. It is assumed to need to purchase additional equipment as enrollment warrants.

Other Objects

Includes annual single audit charges, bank charges, liability and accident insurance, professional dues/fees/memberships, judgments against the district. TCS did settle its appeal with ODE to resolve the FY13 ADM audit, it was agreed TCS would repay \$1,700,000 over 5 years beginning FY16 \$240,000 and FY17 through FY20 \$240,000 each year.

Transfers-In

One time start-up monies from Margaretta School FY12.

Transfers-Out

Repayment to Margaretta School for borrowing one-time start-up monies was made in FY13.

In FY14 the Board transferred \$1,500,000 to a Permanent Improvement Fund to set aside funds for a new school building. Plans are to construct a 16,800 sq.ft. central school building next to Margaretta High School during FY15. An additional transfer of \$1,000,000 is planned for FY15 as total cost is estimated to be \$2,500,000. Project completion is anticipated by the 2nd semester FY15.

FY16 includes an anticipated transfer of \$1,250,000 for an addition to the building due to increased enrollment.