

Ashtabula Area City School District

Fiscal Year
2026
February

Financial
Forecast
Report



ASHTABULA
AREA CITY SCHOOLS

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Ashtabula Area City School District

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Forecast Purpose/Objectives

Ohio Department of Education and Workforce's purposes/objectives for the financial forecast are:

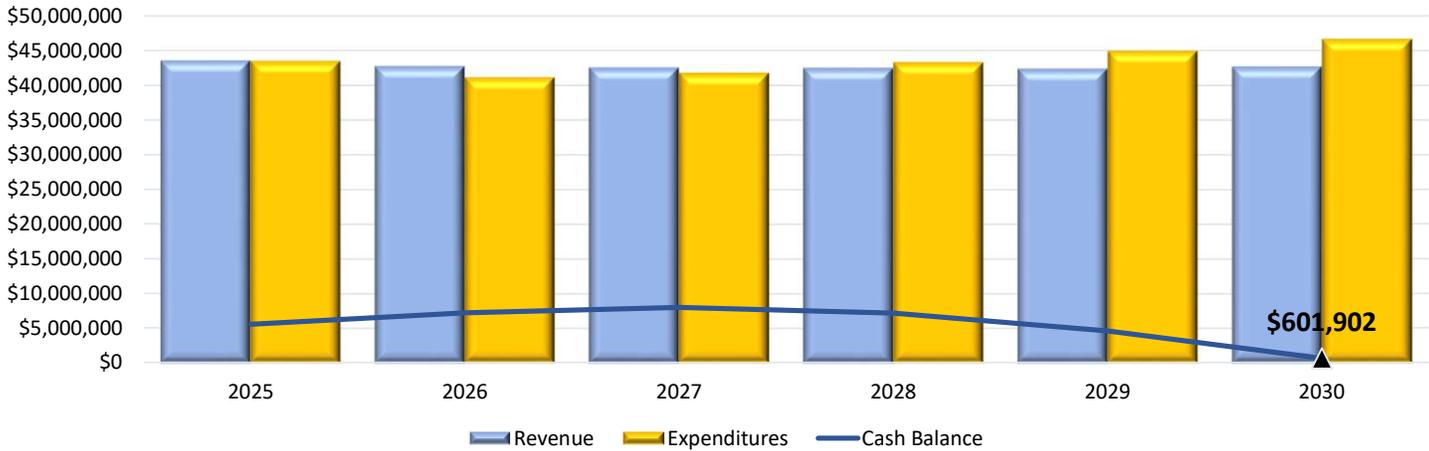
1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

Forecast Methodology

This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year, and while cash flow monitoring helps to identify unexpected variances, no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.

Forecast Summary

Projected Revenue, Expenditures, and Cash Balance



Financial Forecast Summary

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Beginning Balance (Line 7.010) <i>*Includes Renewal/New Levy Revenue, see Disclosures</i>	5,531,797	7,162,295	7,960,950	7,120,956	4,561,581
+ Revenue	42,747,593	42,565,005	42,482,696	42,399,869	42,721,899
- Expenditures	(41,117,095)	(41,766,349)	(43,322,690)	(44,959,244)	(46,681,578)
= Revenue Surplus or Deficit	1,630,498	798,656	(839,994)	(2,559,375)	(3,959,679)
Line 7.020 Ending Balance with Renewal/New Levies	7,162,295	7,960,950	7,120,956	4,561,581	601,902

Financial Summary Notes

Expenditure growth is projected to outpace revenue change. By the end of 2030, the cash balance is projected to decline by a total of \$4,929,894 compared to 2025. For fiscal year 2030, expenditures are currently projected to exceed revenue, resulting in a revenue shortfall the final year of the forecast period.

For revenue, projected change is expected to be less than the historical average. Over the past five years, revenue increased by 1.36% (\$549,431 annually). However, it is projected to decrease by -0.40% (-\$174,264 annually) through fiscal year 2030. Notably, Other Sources, is expected to be \$639,071 less per year compared to history, and is the biggest driver of trend change on the revenue side.

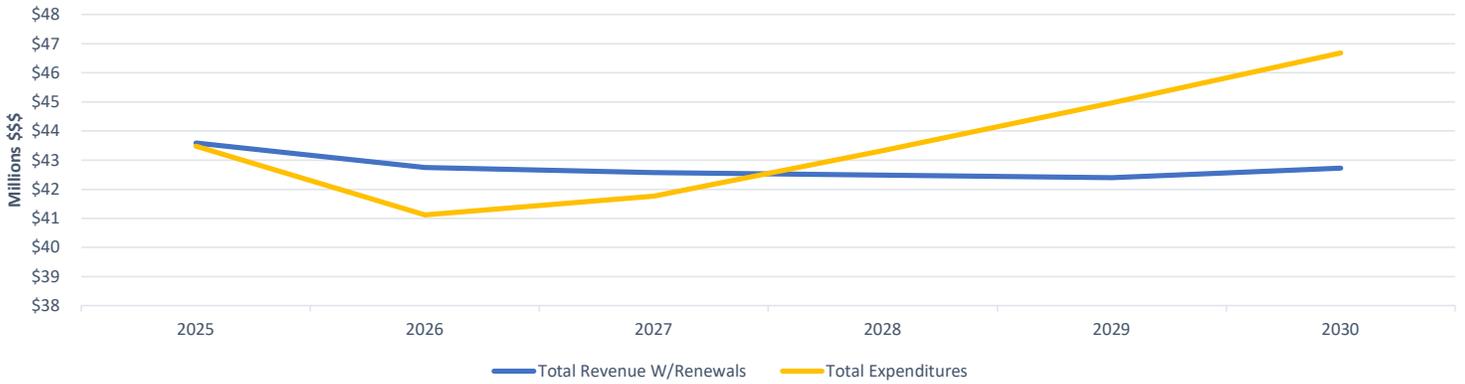
For expenses, projected change is forecasted to increase at a faster pace than the historical trend. Expenditures increased by 0.32% (\$27,325 annually) during the past 5-year period, and are projected to increase by 1.49% (\$639,544 annually) through 2030. The forecast line with the most change on the expense side, Benefits, is anticipated to be \$1,209,995 more per year in the projected period compared to historical averages.

Based on the projections in this forecast, the district will begin deficit spending in fiscal year 2028. While the budget is projected to remain balanced for the next two years, this period provides the district with critical time to develop and implement a plan to either sustain a balanced budget or reduce the projected deficit beginning in 2028.

Disclosure Items:	2026	2027	2028	2029	2030
Modeled Renewal Levies - Annual Amount	-	-	-	-	-
Modeled New Levies - Annual Amount	-	-	-	-	-
Encumbrances (not subtracted from Cash Balance)	-	-	-	-	-

Forecast Analysis

Revenue Compared to Expenditures

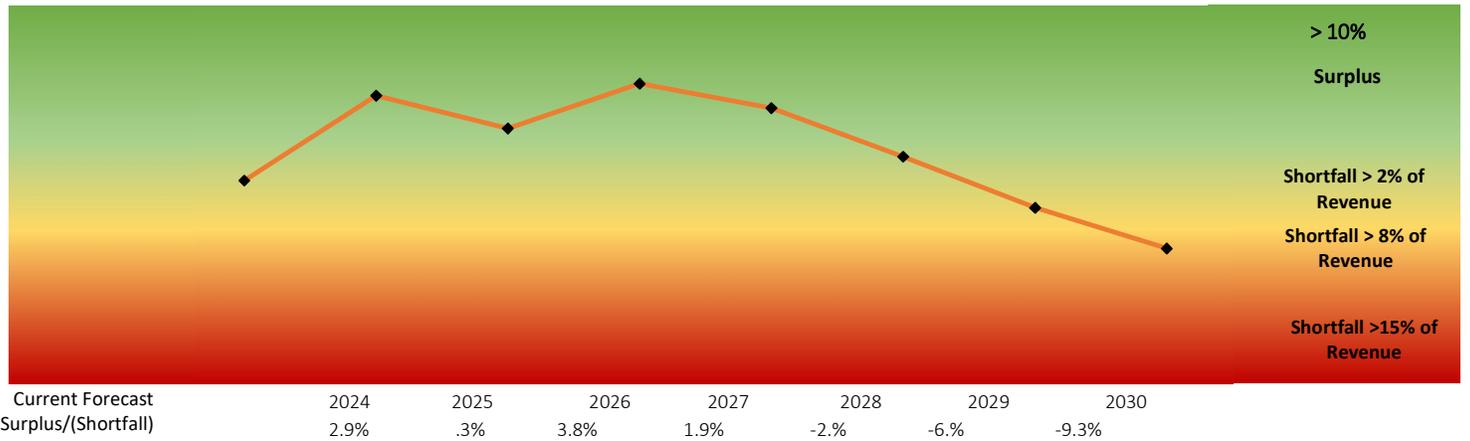


From 2026 to 2030, total revenues are projected to change by -0.40%

Expenditure change is expected to outpace revenue change.

From 2026 to 2030, total expenses are projected to change by 1.49%

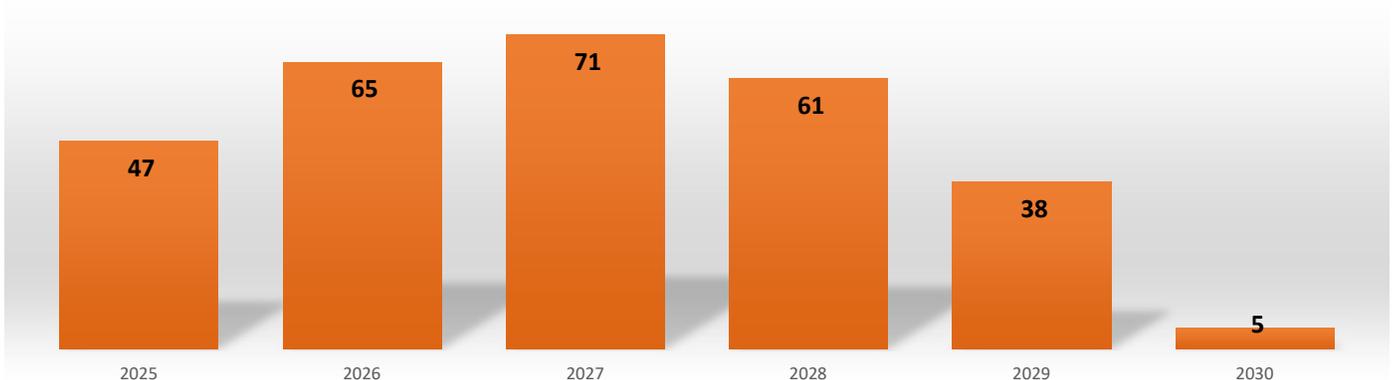
Revenue Surplus/(Shortfall) as a Percentage of Revenue



The district is trending toward revenue shortfall with the expenditures growing faster than revenue. A revenue increase of 6.04% is needed to balance the budget in fiscal year 2030, or a \$3,959,679 reduction in expenditures.

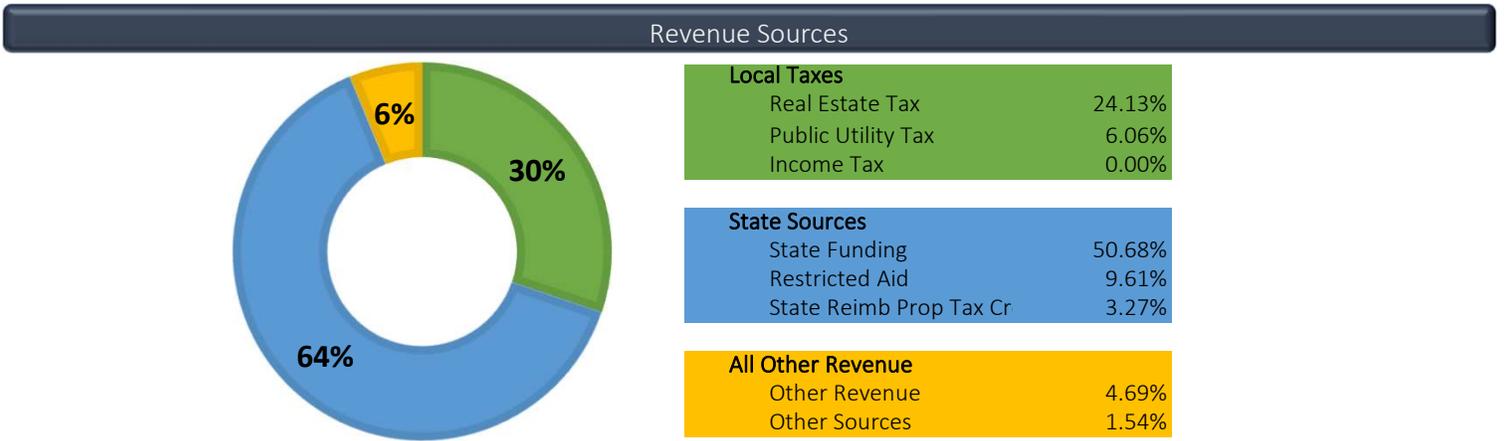
- The largest contributor to the projected revenue trend is the change in Other Sources.
- The expenditure most impacting the changing trend is Benefits.

Days Cash on Hand at Fiscal Year-end



*based on 365 days

Revenue Overview



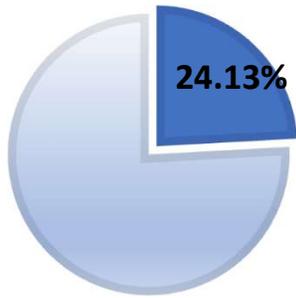
Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	
Real Estate	\$422,915	\$125,253	(\$297,662)	Over the past five years, revenue increased by 1.36% (\$549,431 annually). However, it is projected to decrease by -0.40% (-\$174,264 annually) through fiscal year 2030. Notably, Other Sources, is expected to be \$639,071 less per year compared to history, and is the biggest driver of trend change on the revenue side.
Public Utility	\$130,740	\$48,514	(\$82,226)	
Income Tax	\$0	\$0	\$0	
State Funding	(\$256,466)	(\$110,944)	\$145,522	
State Reimb Prop Tax Credits	\$30,442	\$64,396	\$33,954	
All Othr Op Rev	(\$137,615)	(\$21,826)	\$115,789	
Other Sources	\$359,415	(\$279,657)	(\$639,071)	
Total Average Annual Change	\$549,431 1.36%	(\$174,264) -0.40%	(\$723,694) -1.76%	

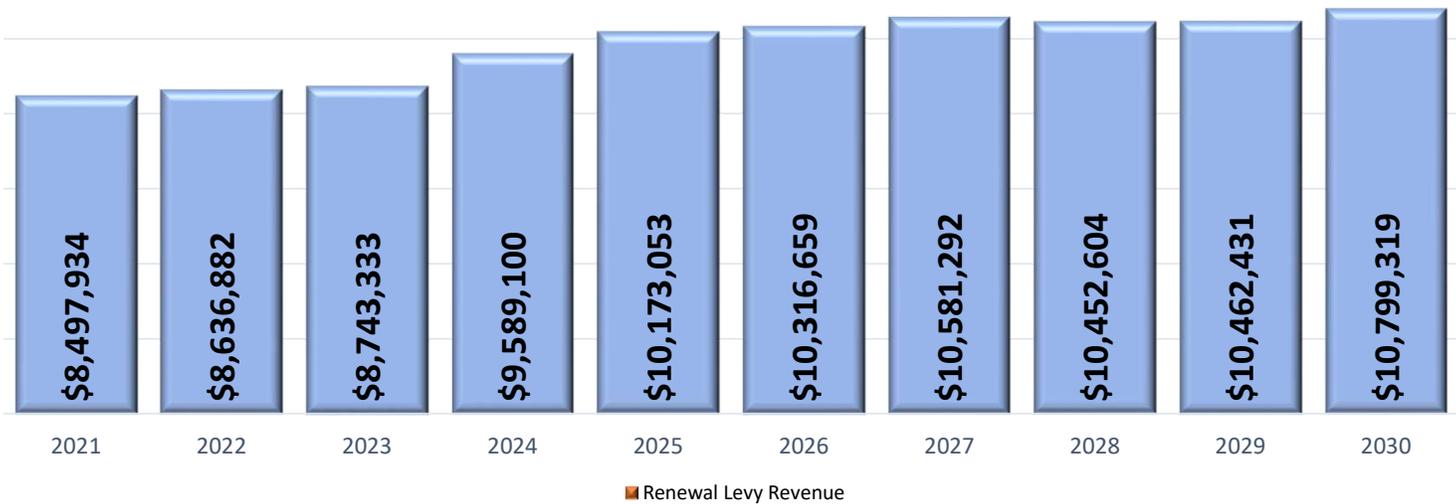
For Comparison:
 Expenditure average annual change is projected to be > \$639,544 On an annual average basis, expenditures are projected to grow faster than revenue.

1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



Real estate property tax revenue accounts for 24.13% of total district general fund revenue.



Key Assumptions & Notes

Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	
2024	533,214,320	3,448,070	20.03	-	29.17	-	99.6%
2025	542,165,199	8,950,879	20.04	0.01	29.25	0.08	100.0%
2026	628,730,199	86,565,000	19.72	(0.33)	27.60	(1.66)	100.0%
2027	628,645,199	(85,000)	19.73	0.01	27.66	0.06	100.0%
2028	628,560,199	(85,000)	19.74	0.01	27.73	0.07	100.0%
2029	663,125,199	34,565,000	19.72	(0.02)	27.30	(0.43)	100.0%

Class I, or residential/agricultural taxes make up approximately 70.72% of the real estate property tax revenue. The Class I tax rate is 20.04 mills in tax year 2025. The projections reflect an average gross collection rate of 100.0% annually through tax year 2029. The revenue changed at an average annual historical rate of 4.82% and is projected to change at an average annual rate of 1.21% through fiscal year 2030.

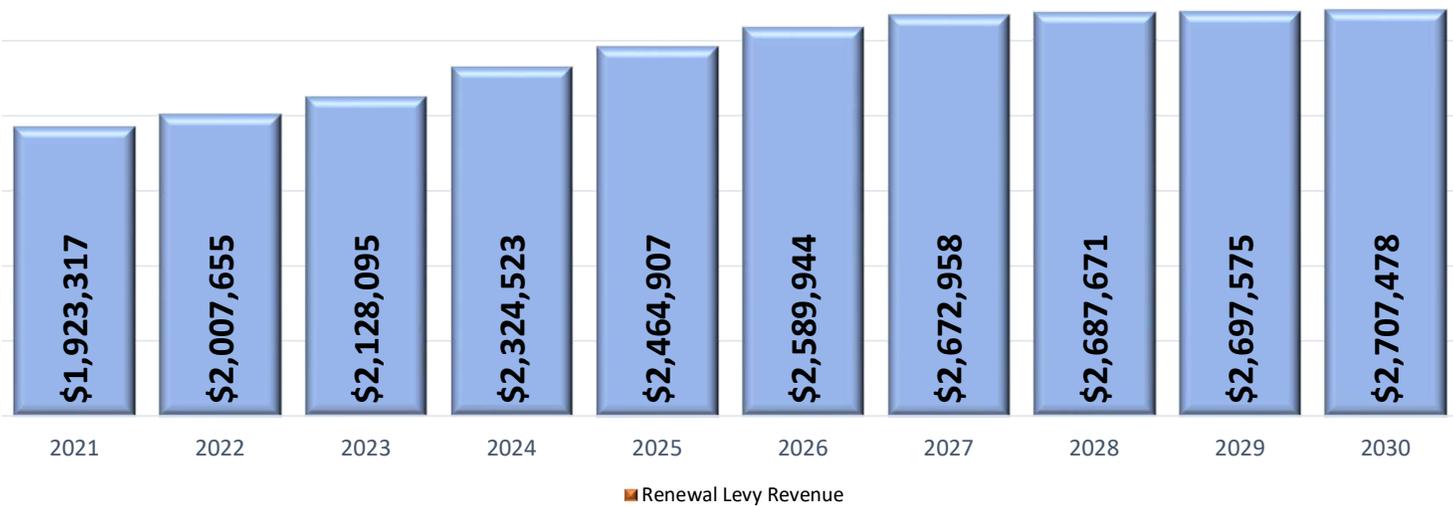
Since the release of the prior forecast, significant updates have been incorporated as a result of a property tax review that affects the district’s future real estate tax projections. Pages 28 through 30 of this report detail the resulting impacts, including changes to the district’s inside millage, reductions in real estate tax revenue from “look-back” taxpayer credits, and the capping of inflationary growth assumptions in future fiscal years.

1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



Public Utility Personal Property tax revenue accounts for 6.06% of total district general fund revenue.



Key Assumptions & Notes

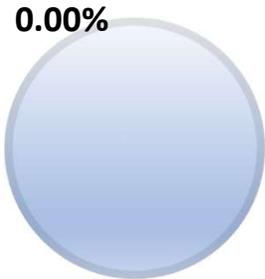
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2024	63,921,160	4,956,280	40.30	-	97.0%
2025	66,704,870	2,783,710	40.30	-	99.0%
2026	67,704,870	1,000,000	40.02	(0.28)	99.0%
2027	67,954,870	250,000	40.02	-	99.0%
2028	68,204,870	250,000	40.02	-	99.0%
2029	68,454,870	250,000	40.02	-	99.0%

The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. The property is taxed at the full voted tax rate which in tax year 2025 is 40.30 mills. The forecast is modeling an average gross collection rate of 99.00%. The revenue changed historically at an average annual dollar amount of \$130,740 and is projected to change at an average annual dollar amount of \$48,514 through fiscal year 2030.

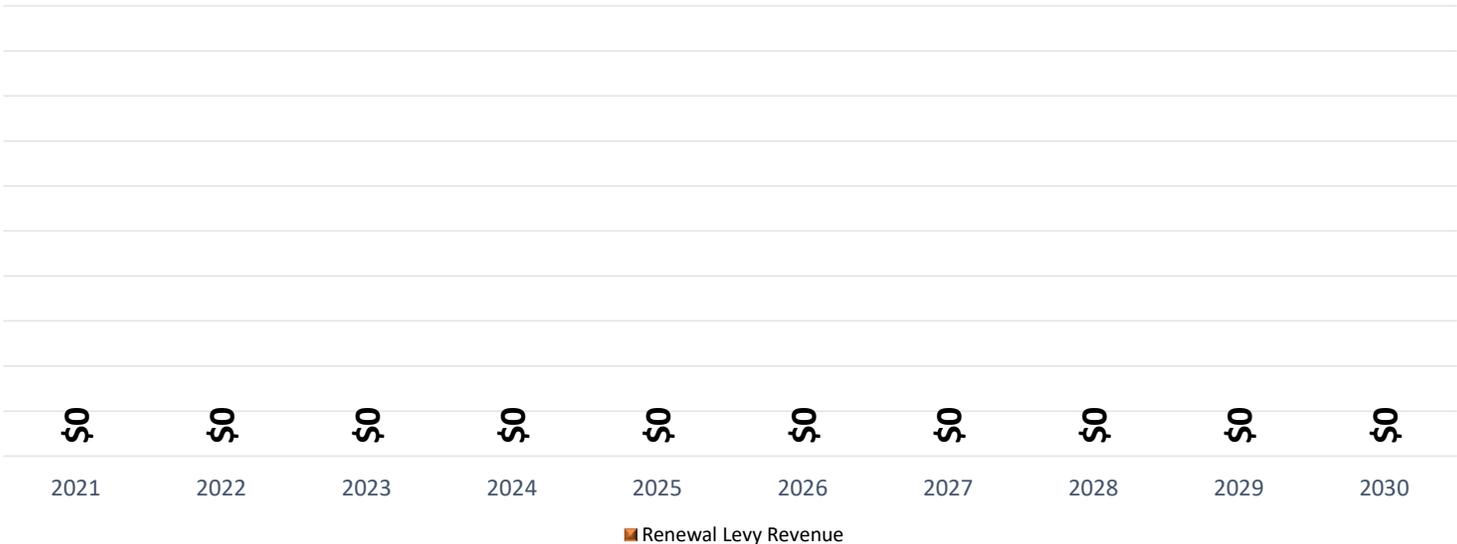
In Tax Year 2025, the gross collection rate slipped to 97% after a major public utility company failed to pay its full tax obligation across Northern Ohio. This decline is viewed as an isolated event, and the district does not expect the trend to continue in future fiscal years. However, beginning in 2027, changes in how public utility personal property is assessed are projected to reduce anticipated growth from new construction values.

1.030 - School District Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.



The district does not have a School District Income Tax levy.

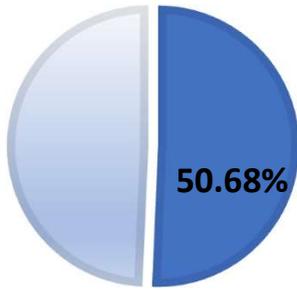


Key Assumptions & Notes

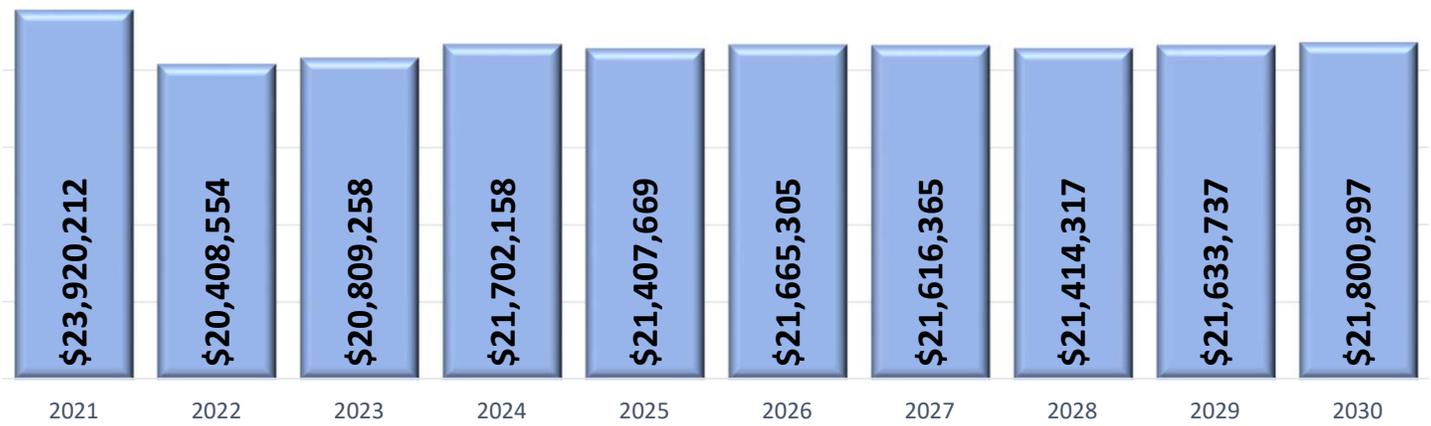
The district does not have an income tax levy.

1.035 - Unrestricted Grants-in-Aid

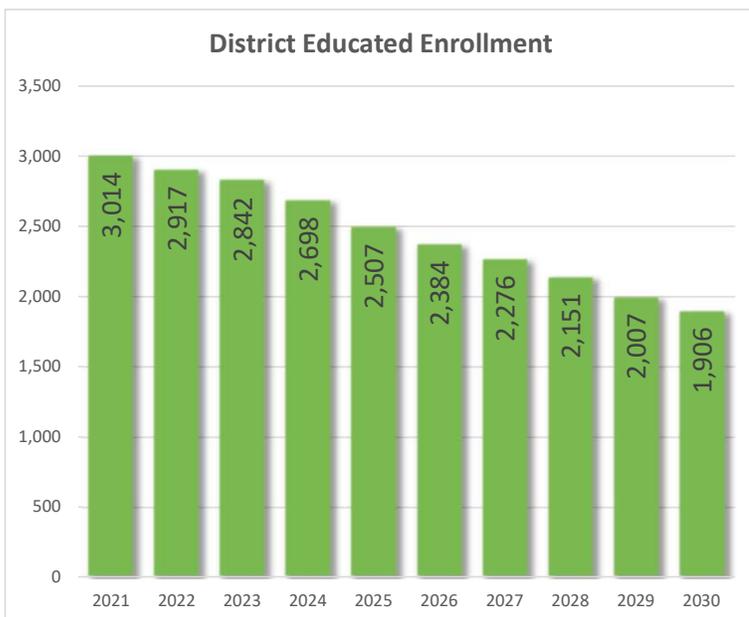
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 50.68% of total district general fund revenue.



Key Assumptions & Notes



Beginning in fiscal year 2022, Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual data.

For Ashtabula Area City School District, the calculated Base Cost total is \$21,706,170 in 2026.

The State's Share of the calculated Base Cost total is \$11,008,664, or \$4,618 per pupil.

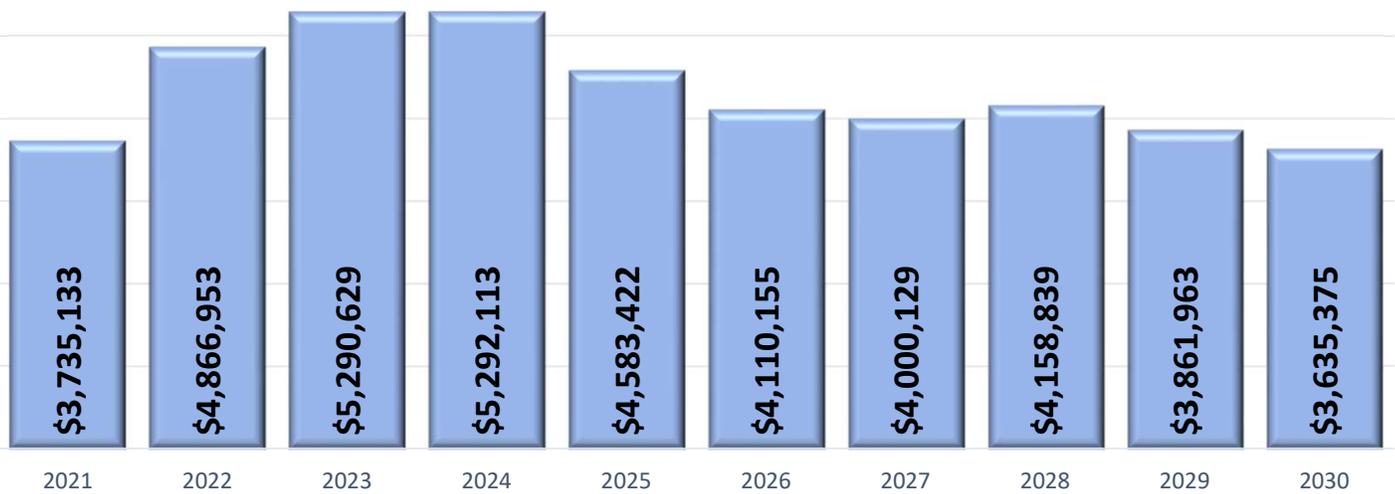
The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts, which impacts the expense side of the forecast.

1.040 & 1.045 - Restricted Grants-in-Aid

Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



Restricted State Aid revenue accounts for 9.61% of total district general fund revenue.



Key Assumptions & Notes

Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by -\$94,510 and is projected to change annually on average by -\$189,609. Restricted funds represent 9.61% of the district's total revenue. Starting in fiscal year 2022, the district's Success & Wellness funding became restricted; the state's share of this funding recorded as restricted is \$531,254. This funding has implications on general fund expenditures in that certain spending now occurring in a fund external to the general fund could shift to the general fund. The expenditures in this forecast are adjusted to reflect this change.

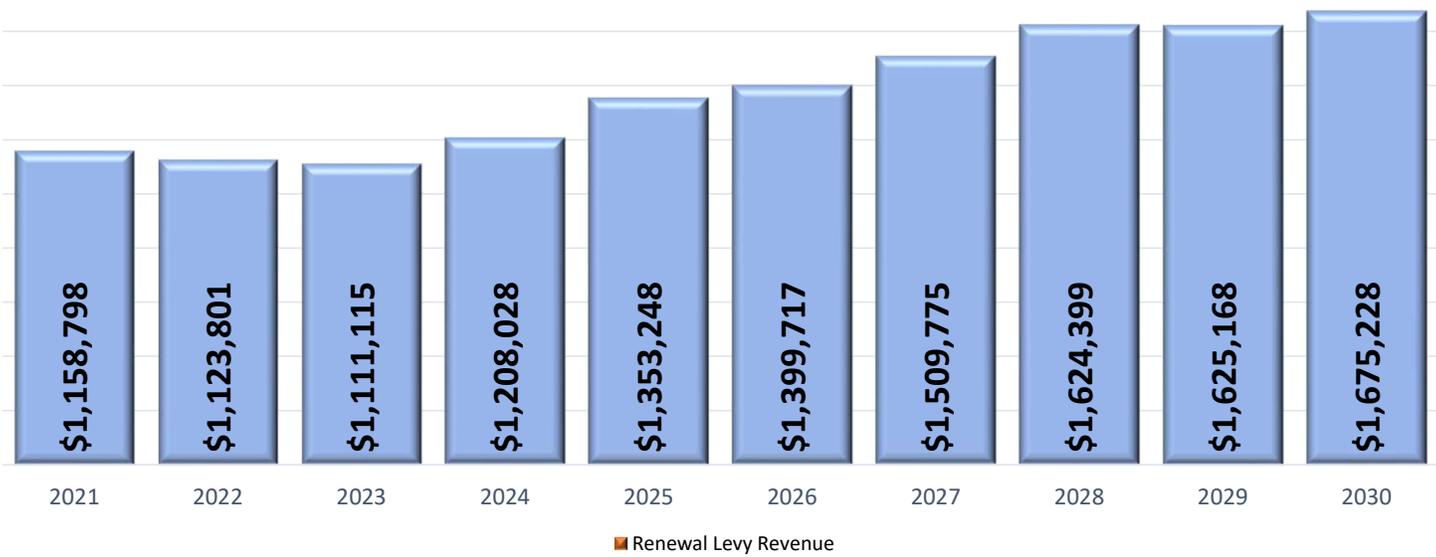
The recently enacted budget bill revised the calculation of economically disadvantaged funding for the district. Beginning in Fiscal Year 2026, funding will be based on a blend of 75% of the district's 2025 CEP value and 25% of the 2025 direct certification value. In FY 2027, the formula shifts to 65% CEP / 35% direct certification, and this weighting will remain in place for FY 2028 and beyond. Since the district has been on the funding guarantee since FY 2025, these formula changes have little immediate impact on either unrestricted or restricted funding. However, if future legislation modifies or eliminates the funding guarantee, revenues in these categories would need to be adjusted accordingly.

1.050 - State Reimbursement Property Tax Credits

Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Deregulation, Homestead and Rollback.



State Reimbursement of Property Tax Credit revenue accounts for 3.27% of total district general fund revenue.



Key Assumptions & Notes

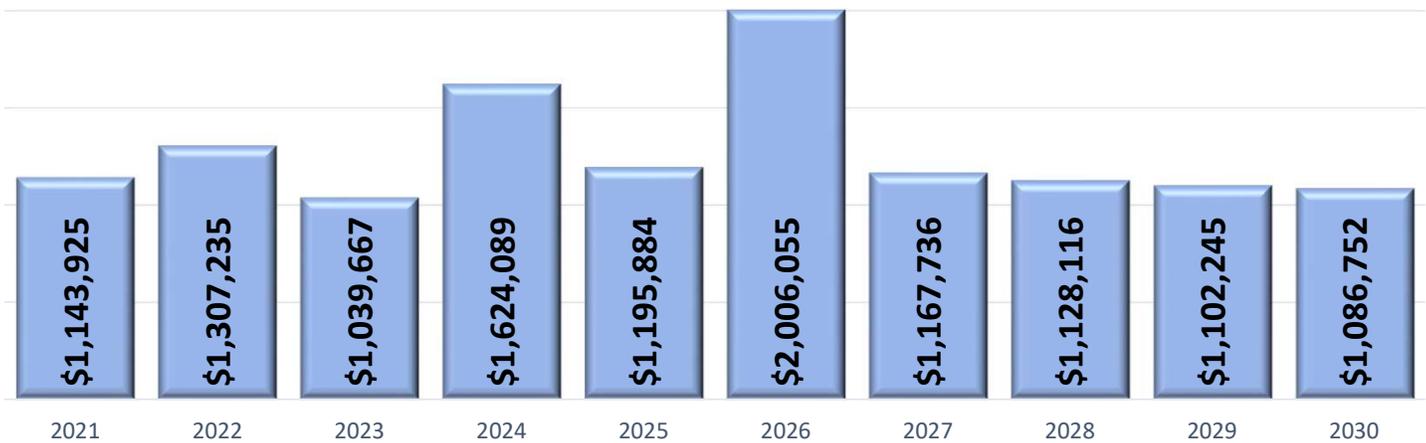
State Reimbursement of Property Tax Credits primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions to their tax bill. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In fiscal year 2026, approximately 11.5% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 4.3% will be reimbursed in the form of qualifying homestead exemption credits.

1.060 - All Other Operating Revenues

Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.



All Other Revenue accounts for 4.69% of total district general fund revenue.



Key Assumptions & Notes

Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was -\$137,615. The projected average annual change is -\$21,826 through fiscal year 2030.

From 2026 through 2030, revenues remain strong and relatively stable, with Federal Medicaid Reimbursements, Interest Income, and Tuition serving as the primary drivers of growth.

The forecast peaks in 2026 as Medicaid reimbursements rise sharply from \$366K in 2025 to \$937K, reflecting the district's expectation of multiple delayed payments. Beginning in 2027, these reimbursements normalize to roughly \$450K annually.

Earnings on Investments are projected to steadily decline, falling from \$289K in 2025 to under \$91K by 2030, largely due to anticipated lower interest rates and reduced cash balances.

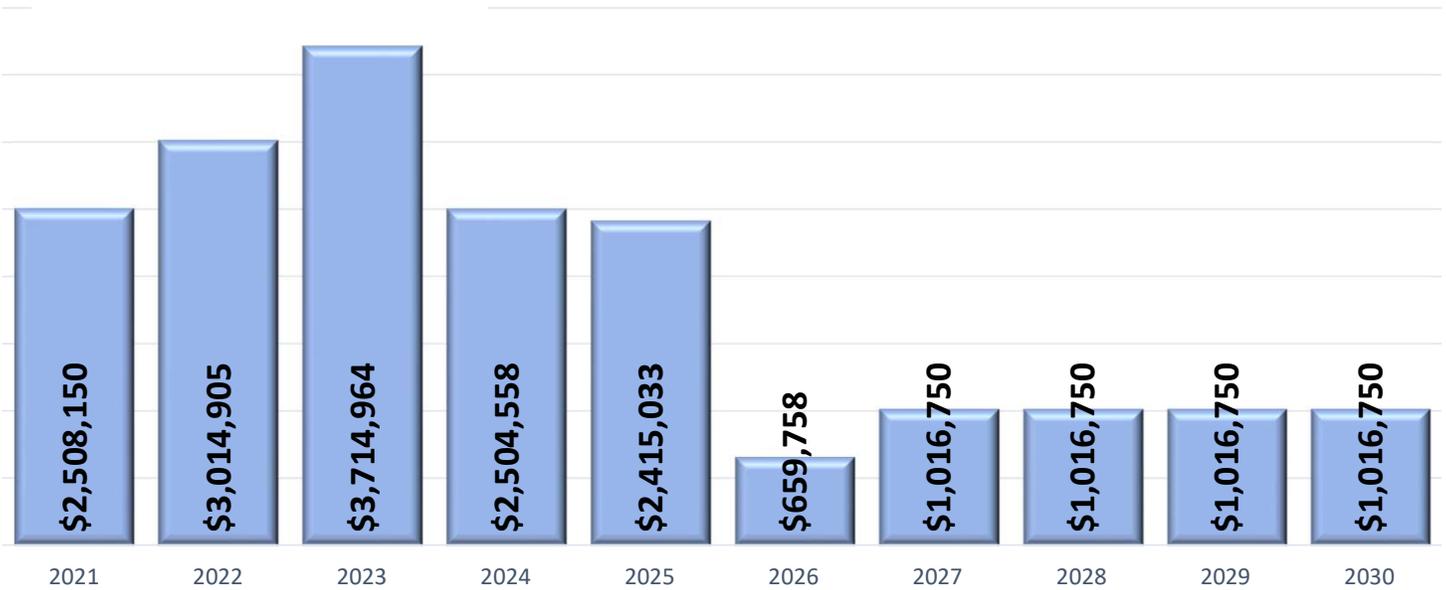
Tuition revenue holds steady throughout the period at approximately \$315K per year, providing a reliable and consistent source of supplemental funding.

2.070 - Total Other Financing Sources

Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



Other Sources of revenue accounts for 1.54% of total district general fund revenue.



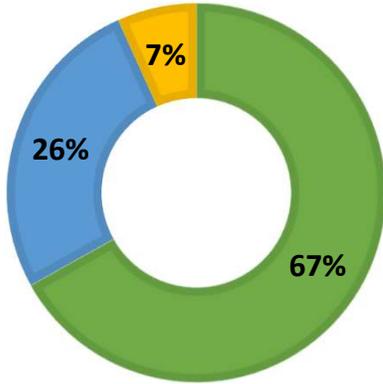
Key Assumptions & Notes

	FORECASTED					
	2025	2026	2027	2028	2029	2030
Transfers In	821,758	11,000	-	-	-	-
Advances In	1,590,801	624,268	1,000,000	1,000,000	1,000,000	1,000,000
All Other Financing Sources	2,474	24,490	16,750	16,750	16,750	16,750

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In 2025 the district received \$1,590,801 as advances-in and is projecting advances of \$624,268 in fiscal year 2026. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be \$24,490 in 2026 and average \$16,750 annually through 2030.

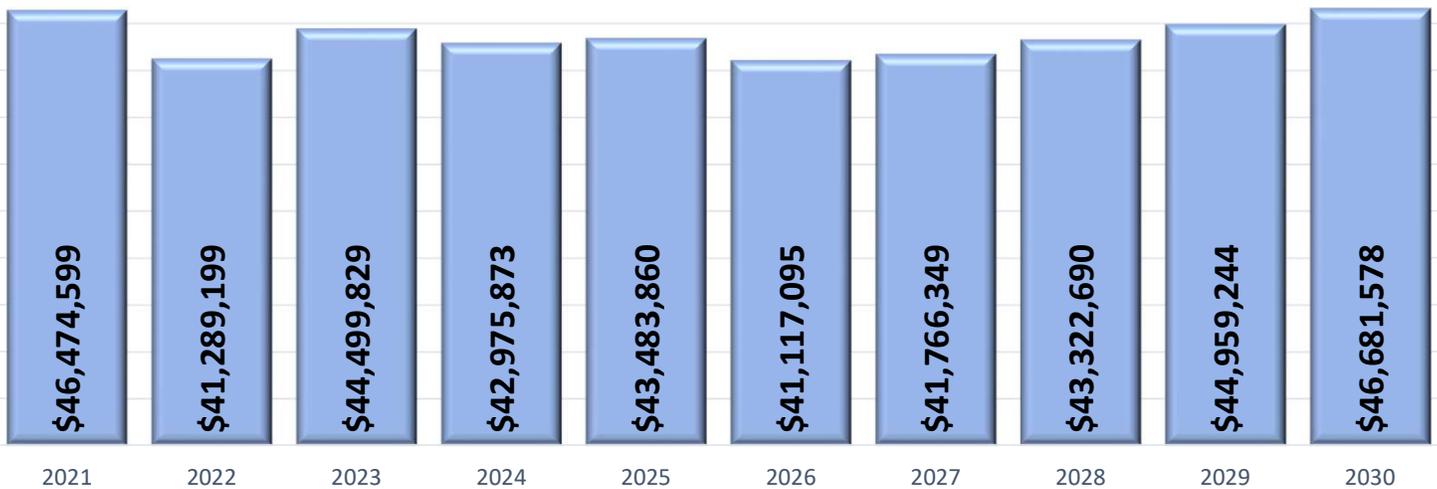
Expenditure Overview

Expenditure Categories



Personnel Costs	
Salaries	41.53%
Benefits	25.35%
Purchased Services	
26.36%	
All Other Expenditures	
Supplies, Capital, Debt, Other Obj	3.60%
Other Uses	3.16%

Annual Expenditures Actual + Projected



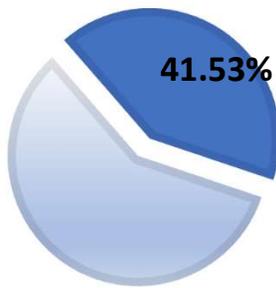
Historic Expenditures Change versus Projected Expenditures Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Expenditures increased by 0.32% (\$27,325 annually) during the past 5-year period, and are projected to increase by 1.49% (\$639,544 annually) through 2030. The forecast line with the most change on the expense side, Benefits, is anticipated to be \$1,209,995 more per year in the projected period compared to historical averages.
Salaries	\$34,187	\$284,588	\$250,401	
Benefits	(\$493,015)	\$716,980	\$1,209,995	
Purchased Services	(\$140,228)	\$131,066	\$271,294	
Supplies & Materials	\$14,077	\$21,386	\$7,309	
Capital Outlay	\$173,597	(\$170,967)	(\$344,564)	
Intergov & Debt	\$0	\$0	(\$0)	
Other Objects	\$15,524	\$7,853	(\$7,671)	
Other Uses	\$423,184	(\$351,363)	(\$774,547)	
Total Average Annual Change	\$27,325	\$639,544	\$612,218	
	0.32%	1.49%	1.18%	

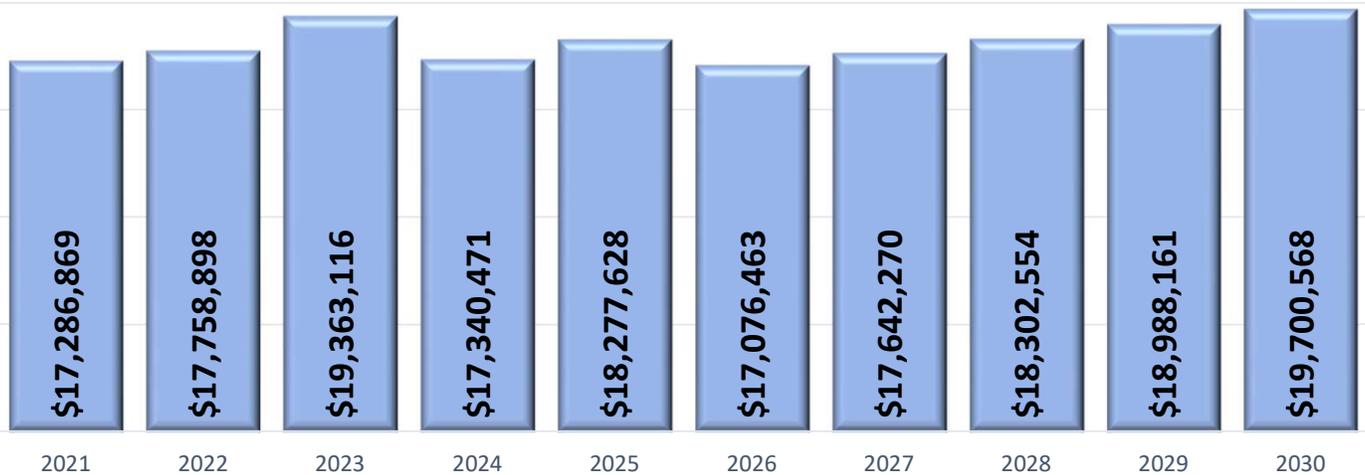
For Comparison:
 Revenue average annual change is projected to be > **(\$174,264)** On an annual average basis, revenues are projected to contract while expenditures grows

3.010 - Personnel Services

Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc.



Salaries account for 41.53% of the district's total general fund spending.



Key Assumptions & Notes

Salaries represent 41.53% of total expenditures and increased at a historical average annual rate of 0.44% (or \$34,187). This category of expenditure is projected to grow at an annual average rate of 1.60% (or \$284,588) through fiscal year 2030. The projected average annual rate of change is 1.16% more than the five year historical annual average.

In the current fiscal year, the district has realized approximately \$1.4 million in salary savings through the implementation of its budget reduction plan.

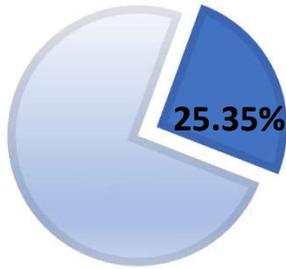
In the prior year, the district issued one-time stipends tied to science and reading initiatives, which were fully reimbursable by the state.

Looking ahead, salary projections account for increases in base wages in line with collective bargaining agreements, as well as annual step (longevity) adjustments. No additional reductions in positions are included past the current year.

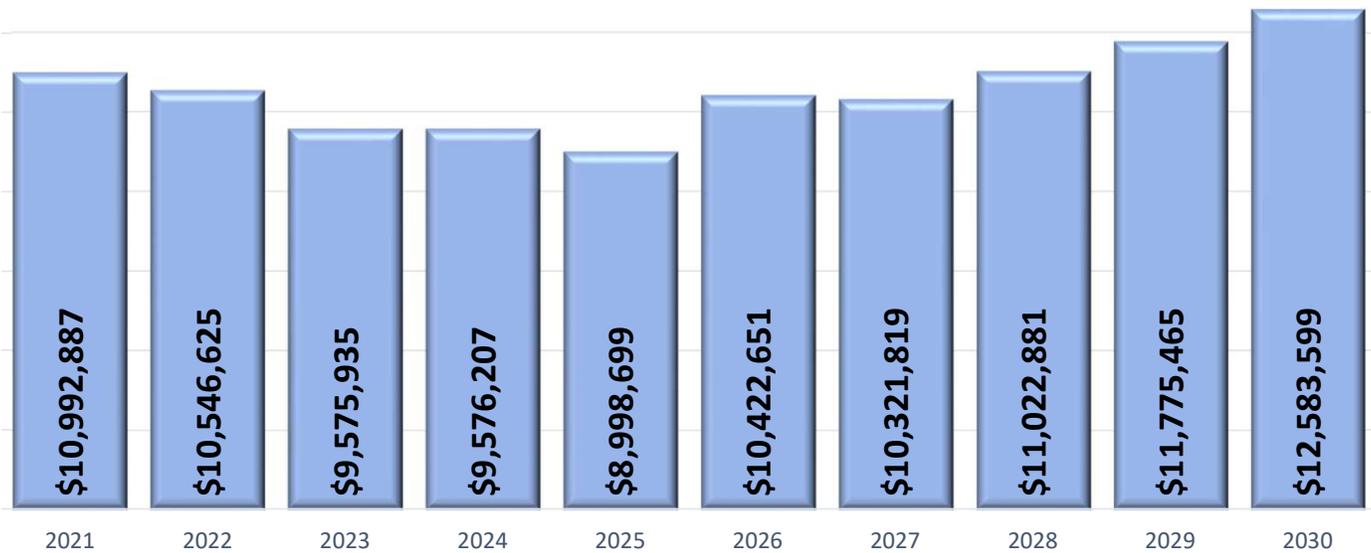
Funding sources outside the General Fund, such as federal programs, are anticipated to remain stable; however, any reductions in these allocations would necessitate adjustments to General Fund salary projections.

3.020 - Employees' Benefits

Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.



Benefits account for 25.35% of the district's total general fund spending.



Key Assumptions & Notes

Benefits represent 25.35% of total expenditures and decreased at a historical average annual rate of -4.68%. This category of expenditure is projected to grow at an annual average rate of 7.07% through fiscal year 2030. The projected average annual rate of change is 11.75% more than the five year historical annual average.

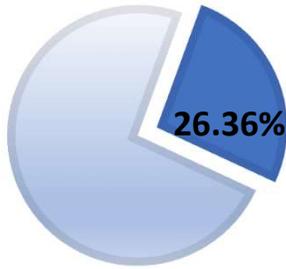
Retirement and other non-healthcare, salary-driven fringe benefits are projected at 16.6% of total salary costs throughout the forecast period, with the exception of the current year. In the prior year, the State Teachers Retirement System reduced the November deduction from foundation payments due to a credit the district was entitled to; however, subsequent deductions were not adjusted back to the correct level. As a result, the district must reconcile this shortfall in the current year, creating a one-time spike in 2026 benefit costs.

For Fiscal Year 2026, healthcare expenditures are estimated at \$6.86 million, reflecting an 8% premium increase offset by approximately \$155,000 in savings from staffing reductions referenced previously.

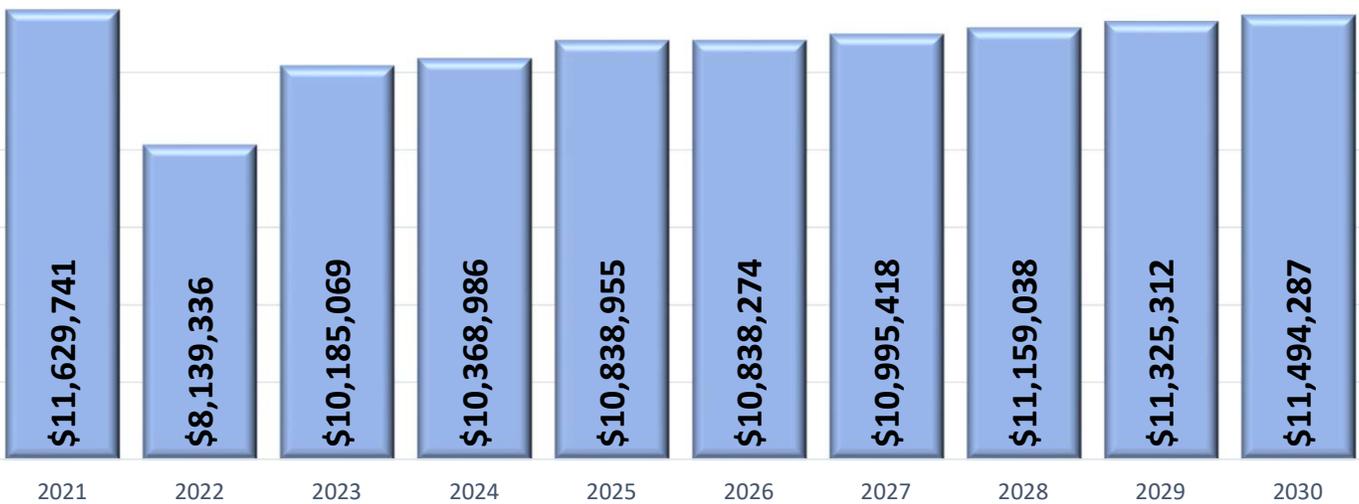
From FY2027 through FY2030, healthcare premiums are projected to continue rising at an annual rate of 8%.

3.030 - Purchased Services

Amounts paid for services rendered by personnel who are not on the payroll of the school district, expenses for tuition paid to other districts, utility costs and other services which the school district may purchase.



Purchased Services account for 26.36% of the district's total general fund spending.



Key Assumptions & Notes

From 2025 through 2030, the district's financial outlook reflects a steady and controlled growth trajectory, supported by disciplined cost management and targeted strategic investments. Total expenditures increase gradually from \$10.8 million in 2025 to nearly \$11.5 million by 2030, representing average annual growth of approximately 1.2%.

The forecast assumes a moderately inflationary environment of roughly 2–3% per year, with inflationary pressures partially offset through productivity improvements, contract management, and ongoing vendor negotiations.

Professional and technical services remain the largest expenditure category, totaling \$3.4 million in 2026. These costs are projected to increase to approximately \$3.65 million by 2030, reflecting continued investment in external services, software-as-a-service (SaaS) platforms, and contracted support.

Utilities and infrastructure-related costs decline by approximately \$440K in 2026 compared to the prior fiscal year, driven primarily by reduced property services expenditures. The district anticipates maintaining this lower level of repair and maintenance spending in future years, with only modest growth projected—from \$3.16 million in 2025 to \$3.36 million by 2030—and no major cost shifts anticipated.

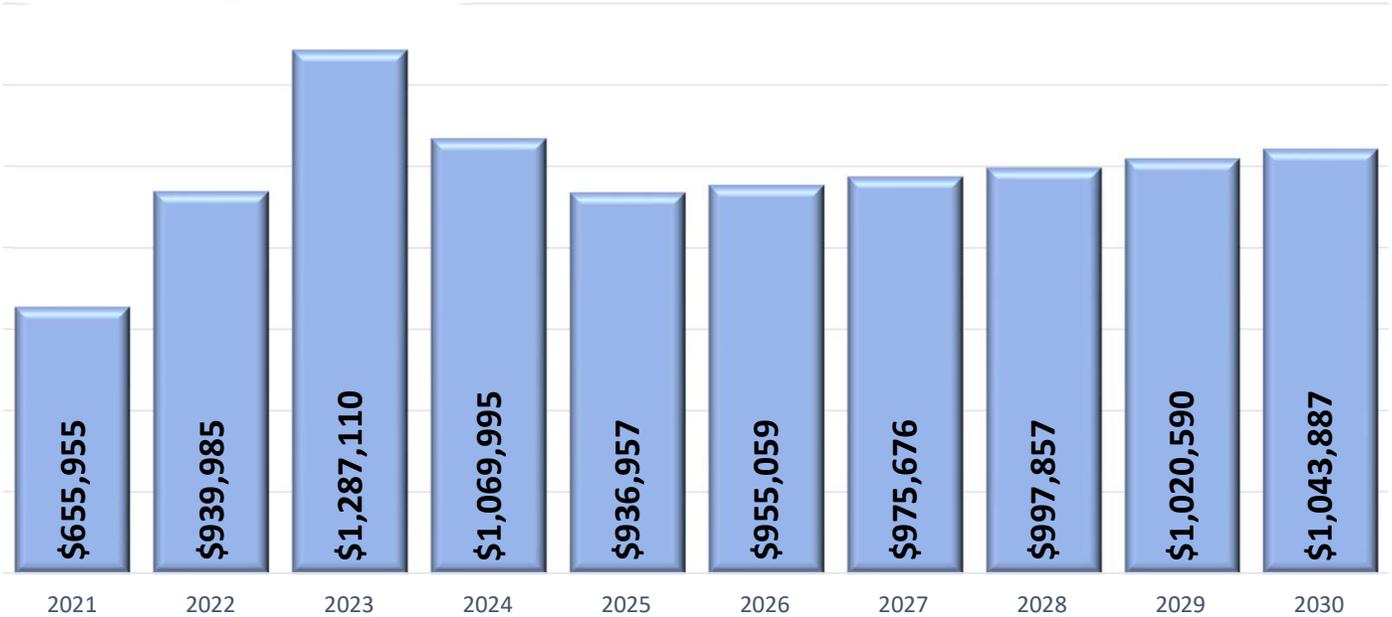
Tuition-related expenditures totaled \$2.8 million in 2025 and are expected to increase to approximately \$3.0 million in 2026, reflecting additional student placements requiring outside services.

3.040 - Supplies & Materials

Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.



Supplies and Materials account for 2.32% of the district's total general fund spending.



Key Assumptions & Notes

Supplies & Materials represent 2.32% of total expenditures and increased at a historical average annual rate of 5.32%. This category of expenditure is projected to grow at an annual average rate of 2.19% through fiscal year 2030. The projected average annual rate of change is 3.14% less than the five year historical annual average.

From 2026 through 2030, supply expenditures stabilize and grow modestly, driven primarily by facilities (570) and vehicle maintenance (580) costs. Facility-related supplies total approximately \$306K in 2026, while vehicle maintenance supplies reach \$338K in the same year, with both categories increasing steadily over the forecast period.

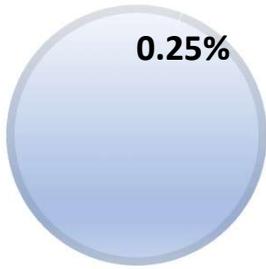
General supplies (510) remain relatively consistent, ranging between \$244K and \$264K annually. Instructional materials (520) remain minimal and stable at approximately \$45K per year.

Smaller categories, including other supplies (590), are expected to remain minor and stable throughout the forecast period.

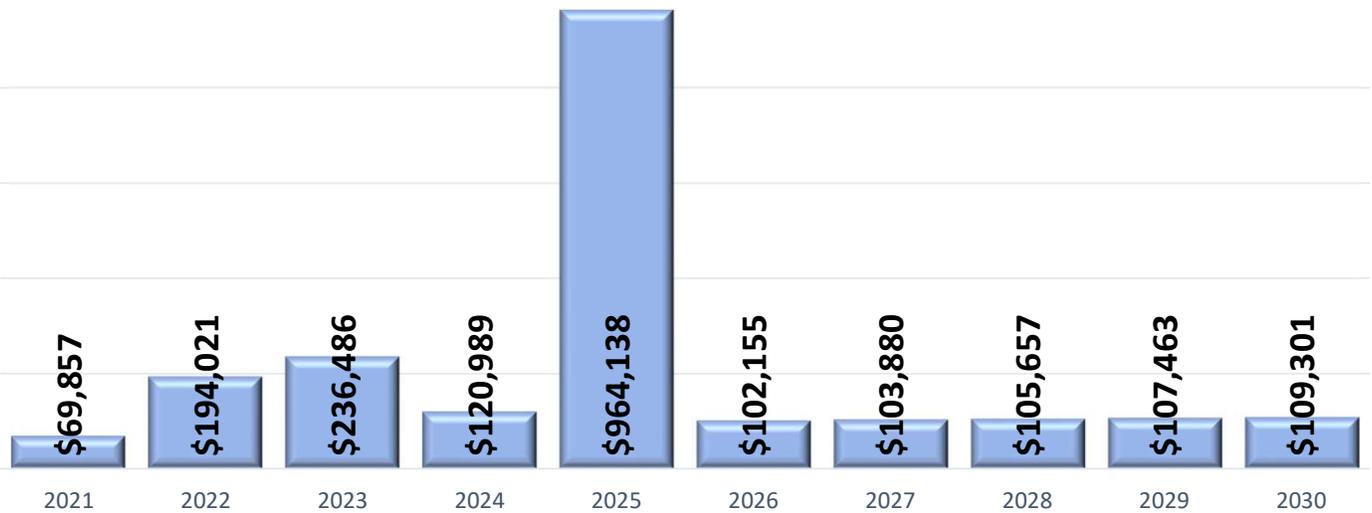
Overall, the forecast reflects a stable and predictable supply cost structure, with growth concentrated in maintenance-related needs, supporting long-term planning with minimal volatility.

3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.



Capital Outlay account for 0.25% of the district's total general fund spending.



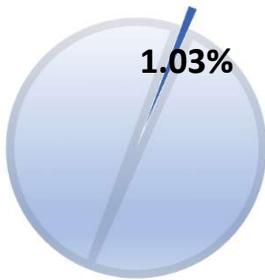
Key Assumptions & Notes

Capital Outlay represent 0.25% of total expenditures and increased at a historical average annual amount of \$173,597. This category of expenditure is projected to decrease at an annual average rate of \$170,967 through 2030. The projected average annual change is less than the five year historical annual average.

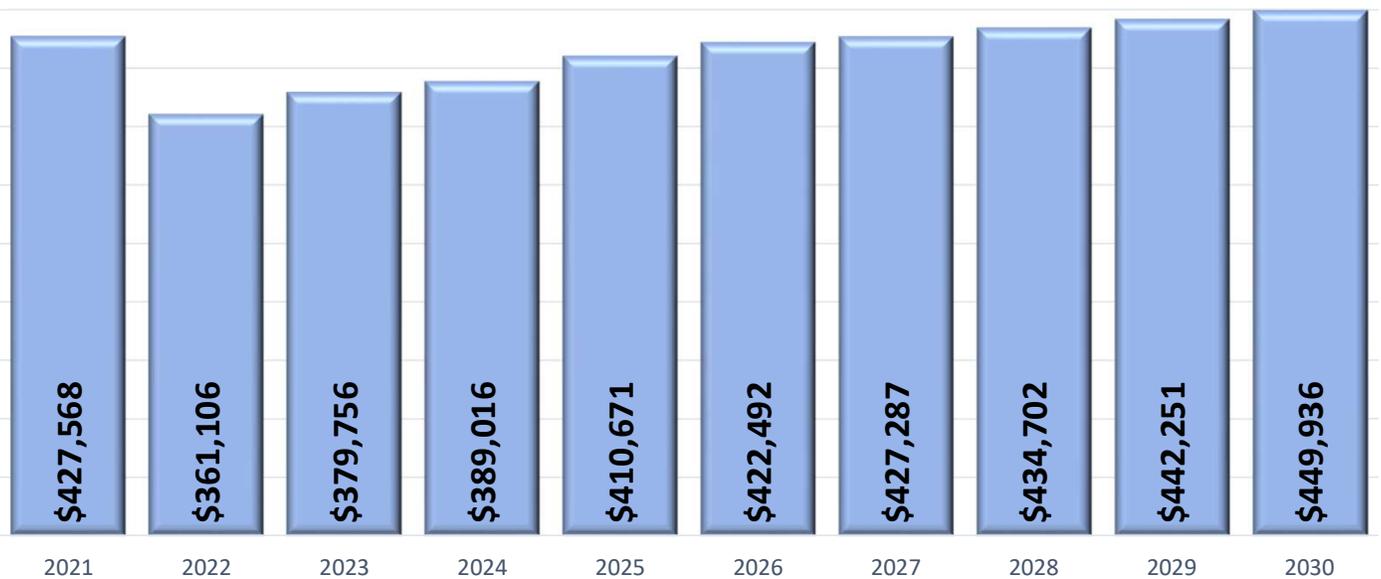
During FY25, there was a one-time increase in capital expense costs due to required building repairs. The majority of the budget for future fiscal years are due to planned equipment purchases.

4.300 - Other Objects

Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



Other Objects account for 1.03% of the district's total general fund spending.



Key Assumptions & Notes

Other Objects represent 1.03% of total expenditures and increased at a historical average annual rate of 5.20%. This category of expenditure is projected to grow at an annual average rate of 1.84% through fiscal year 2030. The projected average annual rate of change is 3.36% less than the five year historical annual average.

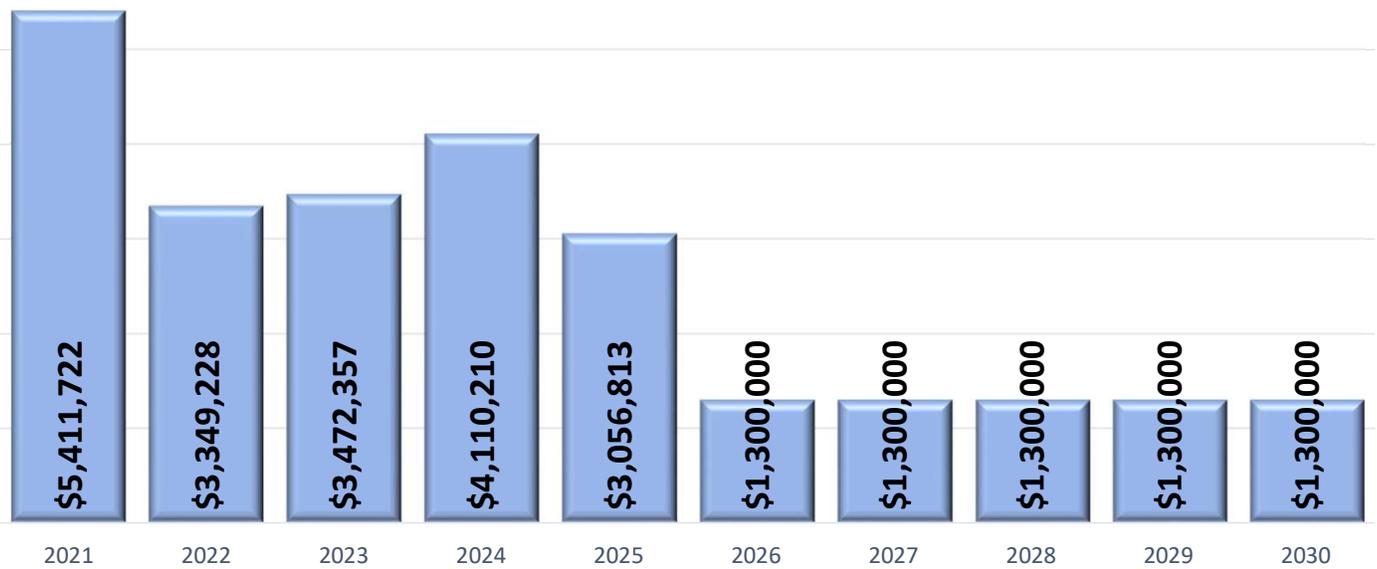
The majority of these costs are related to County Auditor and Treasurer Fees, bank fees/charges and other fees.

5.040 - Total Other Financing Uses

Operating transfers-out, advances out to other funds, and all other general fund financing uses.



Other Uses account for 3.16% of the district's total general fund spending.



Key Assumptions & Notes

	FORECASTED					
	2025	2026	2027	2028	2029	2030
Transfers Out	2,432,545	300,000	300,000	300,000	300,000	300,000
Advances Out	624,268	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other Financing Uses	-	-	-	-	-	-

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In 2025 the district had advances-out and has advances-out forecasted through fiscal year 2030. The district can also move general funds permanently to other funds, and as the schedule above presents, the district has transfers forecasted through fiscal year 2030. The table above presents the district's planned advances and transfers. The district can also have other uses of funds which is reflected in the table above.

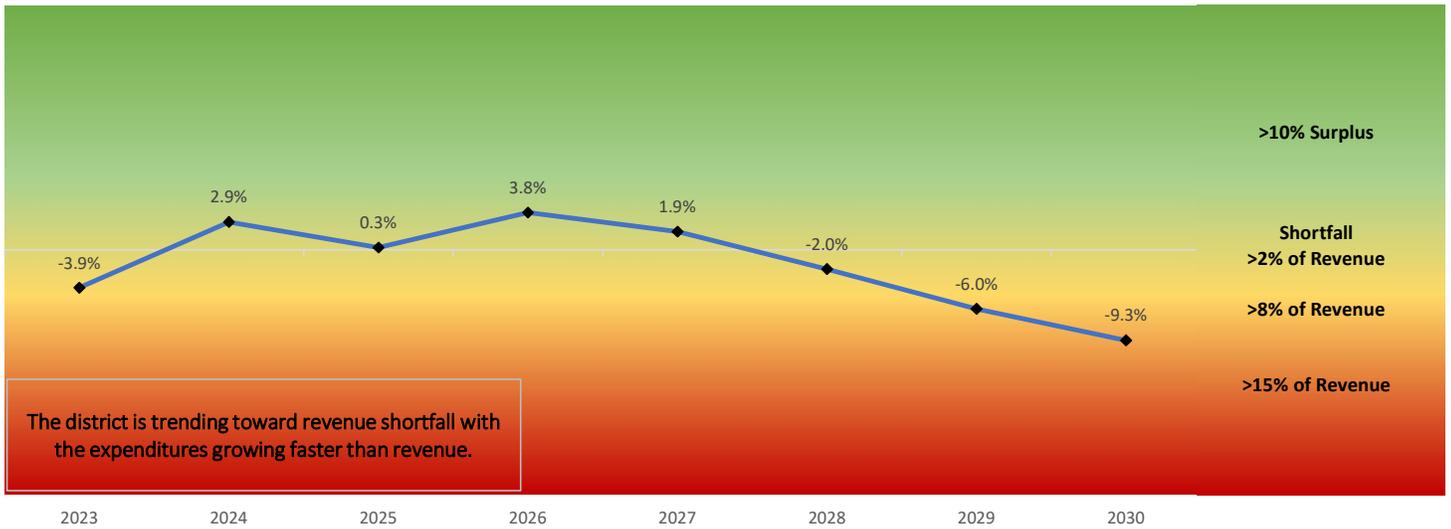
Ashtabula Area City School District

Five Year Forecast

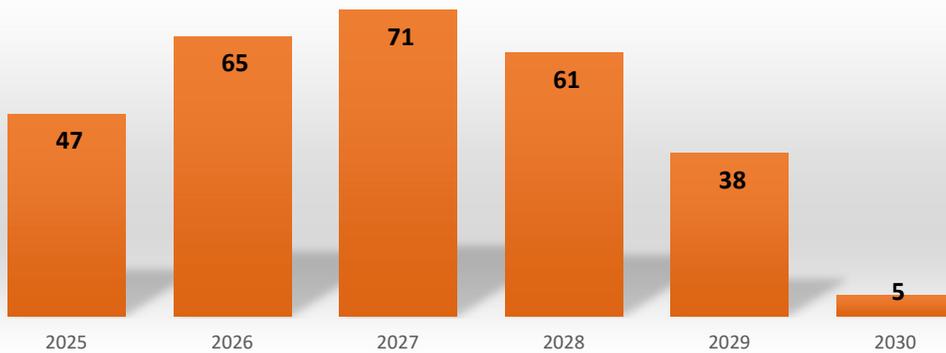
February Fiscal Year 2026

Fiscal Year:	Actual	FORECASTED				
	2025	2026	2027	2028	2029	2030
Revenue:						
1.010 - General Property Tax (Real Estate)	10,173,053	10,316,659	10,581,292	10,452,604	10,462,431	10,799,319
1.020 - Public Utility Personal Property	2,464,907	2,589,944	2,672,958	2,687,671	2,697,575	2,707,478
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	21,407,669	21,665,305	21,616,365	21,414,317	21,633,737	21,800,997
1.040 - Restricted Grants-in-Aid	4,583,422	4,110,155	4,000,129	4,158,839	3,861,963	3,635,375
1.050 - State Reimb Prop Tax Credits	1,353,248	1,399,717	1,509,775	1,624,399	1,625,168	1,675,228
1.060 - All Other Operating Revenues	1,195,884	2,006,055	1,167,736	1,128,116	1,102,245	1,086,752
1.070 - Total Revenue	41,178,184	42,087,835	41,548,255	41,465,946	41,383,119	41,705,149
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	821,758	11,000	-	-	-	-
2.050 - Advances-In	1,590,801	624,268	1,000,000	1,000,000	1,000,000	1,000,000
2.060 - All Other Financing Sources	2,474	24,490	16,750	16,750	16,750	16,750
2.070 - Total Other Financing Sources	2,415,033	659,758	1,016,750	1,016,750	1,016,750	1,016,750
2.080 - Total Rev & Other Sources	43,593,217	42,747,593	42,565,005	42,482,696	42,399,869	42,721,899
Expenditures:						
3.010 - Personnel Services	18,277,628	17,076,463	17,642,270	18,302,554	18,988,161	19,700,568
3.020 - Employee Benefits	8,998,699	10,422,651	10,321,819	11,022,881	11,775,465	12,583,599
3.030 - Purchased Services	10,838,955	10,838,274	10,995,418	11,159,038	11,325,312	11,494,287
3.040 - Supplies and Materials	936,957	955,059	975,676	997,857	1,020,590	1,043,887
3.050 - Capital Outlay	964,138	102,155	103,880	105,657	107,463	109,301
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	410,671	422,492	427,287	434,702	442,251	449,936
4.500 - Total Expenditures	40,427,047	39,817,095	40,466,349	42,022,690	43,659,244	45,381,578
Other Financing Uses						
5.010 - Operating Transfers-Out	2,432,545	300,000	300,000	300,000	300,000	300,000
5.020 - Advances-Out	624,268	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	3,056,813	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
5.050 - Total Exp and Other Financing Uses	43,483,860	41,117,095	41,766,349	43,322,690	44,959,244	46,681,578
6.010 - Excess of Rev Over/(Under) Exp	109,356	1,630,498	798,656	(839,994)	(2,559,375)	(3,959,679)
7.010 - Cash Balance July 1 (No Levies)	5,422,440	5,531,797	7,162,295	7,960,950	7,120,956	4,561,581
7.020 - Cash Balance June 30 (No Levies)	5,531,797	7,162,295	7,960,950	7,120,956	4,561,581	601,902
		Reservations				
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	5,531,797	7,162,295	7,960,950	7,120,956	4,561,581	601,902
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	5,531,797	7,162,295	7,960,950	7,120,956	4,561,581	601,902
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	5,531,797	7,162,295	7,960,950	7,120,956	4,561,581	601,902

Revenue Surplus/(Shortfall) - Current Forecast



Days Cash on Hand - Current Forecast

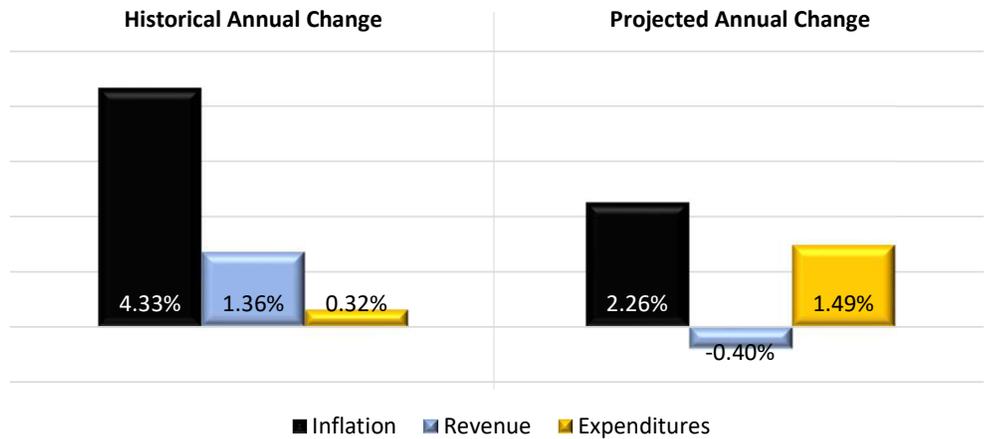


Days cash on hand is projected to decline and is less than 60 days by 2030.

*based on 365 days

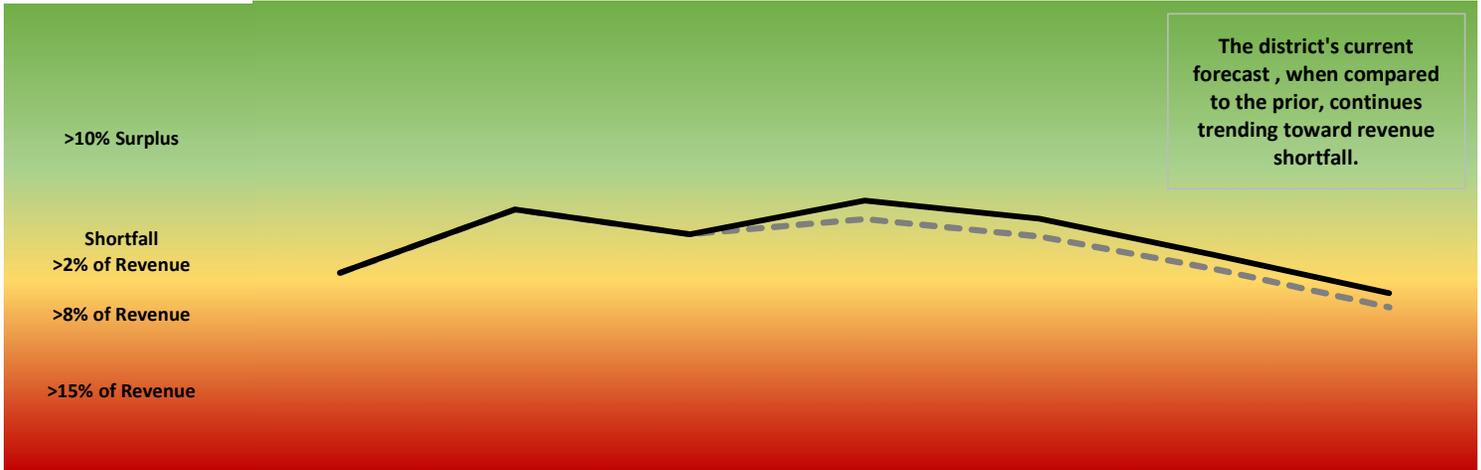
5-Year Average Annual Change - Inflation, Revenue and Expenditures

Average projected annual expenditure change is less than inflation, and more than revenue.



CPI (Inflation) Source: Federal Reserve Bank of St. Louis (July 1, 2025)
<https://alfred.stlouisfed.org>

Revenue Surplus/(Shortfall) - Current Compared to Prior Forecast



	2023	2024	2025	2026	2027	2028	2029
--- Prior Forecast	-3.9%	2.9%	0.3%	1.9%	0.0%	-3.5%	-7.5%
— Current Forecast	-3.9%	2.9%	0.3%	3.8%	1.9%	-2.0%	-6.0%

Current Forecast Compared to Prior Forecast

Overall, the current forecast remains closely aligned with the version filed in October. On the revenue side, the largest variance occurs within the Other Revenue category, which is projected to be 0.35% higher than the October forecast. This increase is driven by a one-time receipt of \$190K that was not previously anticipated, higher-than-expected interest income, and increased Federal Medicaid reimbursement revenue.

Expenditure projections show a similar level of consistency, coming within 0.73% of the October forecast. This modest variance is primarily attributable to lower-than-expected salary costs, resulting from unfilled positions in the current year and the assumption that those positions remain unfilled throughout the forecast period.

Revenue and Expenditure Variances - Current Compared to Prior Forecast

	<u>Revenue Variance</u>	
Cumulative Favorable Revenue Variance	0.62%	\$1,307,065
	<u>Largest Revenue Variances</u>	
1.060 All Other 2.xx Other Sources	0.35%	\$740,903
1.050 - State Reimb Prop Tax Credits	0.21%	\$450,731
1.035,1.040 State	-0.19%	(\$412,302)
All Other Revenue Categories	0.25%	\$527,733

The current revenue forecast is up by 0.62% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2025 - 2029 of Revenue and Expense variances is 1.34% (or \$2,883,639).

The current forecast for expenditures is down by 0.73% compared to the prior forecast.

	<u>Expenditure Variance</u>		
	-0.73%	(\$1,576,575)	Cumulative Favorable Expenditure Variance
	<u>Largest Expenditure Variances</u>		
	-0.69%	(\$1,494,854)	3.01 Salaries
	0.09%	\$202,080	3.02 Benefits
	-0.07%	(\$152,846)	3.04 Supplies
	-0.06%	(\$130,954)	All Other Expenditure Categories

Property Tax Reform Impact - Retrospective Look

Tax Years 2023, 2024, and 2025

District's Outside Millage "Floor" Status Before Property Tax Reform

Class I	TY 2023	TY 2024	TY 2025	
Inside Millage	4.2	4.2	4.2	Before property tax reform, H.B. 920 prevented inside plus outside millage from dropping below the 20-mill floor, resulting in large increases in taxpayer bills after reappraisals.
Effective Outside Millage	15.8	15.8	15.8	
Effective Inside + Outside Millage	20.0	20.0	20.0	
Class I Property Values Change	TY 2023	TY 2024	TY 2025	
Reappraisal or Update Year	Yes	No	No	
Percent of District in Reappraisal/Update	100.0%	0.0%	0.0%	
Class I Combined Change	31.4%	-0.2%	-0.1%	
New GDP-D Allowed Growth	13.0%	15.4%	13.3%	

Do local taxpayers qualify for prior property tax relief in the way of Credits or Millage reductions?

Millage Change	TY 2023	TY 2024	TY 2025	
Combined Ag/Residential Inflation	31.4%	-0.2%	-0.1%	H.B. 186 taxpayer credits can occur when a district was at the millage floor and the reappraisal or update growth exceeded GDP-D. Otherwise, no credits are generated.
Outside Millage Reduction	(1.1)	0.0	0.0	
Percentage Change in Millage	-6.2%	0.2%	0.1%	
Taxpayer Credits	TY 2023	TY 2024	TY 2025	
If at the floor and exceeded GDP-D Growth	\$ (592,930) \$	- \$	-	H.B. 186 credits should apply to 2nd half tax year

Property Tax Reform - Prospective Look

Tax Years 2026, 2027, 2028, and 2029

Does projected property value Reappraisal/Update/Inflation exceed cumulative GDP-D?

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Reappraisal or Update Year	No	Yes	No	No	Yes
Percent of District in Reappraisal/Update	0.0%	100.0%	0.0%	0.0%	100.0%
Class I Combined Change	-0.1%	18.2%	-0.1%	-0.1%	6.2%
GDP-D	13.3%	9.2%	8.0%	8.1%	7.7%

With Property Tax Reform, how are projected tax rates responding to property value inflation?

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Inside Millage Class I & II*	4.2	3.9	3.9	3.9	3.9
Millage Change	0.0	-0.3	0.0	0.0	0.0
Percentage Change in Millage	0.0%	-6.8%	0.0%	0.0%	0.0%

*Starting in TY 2026, H.B. 335 provides for the County Budget Commission to reduce inside millage when reappraisal exceeds GDP-D

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Outside Millage	15.8	15.8	15.8	15.8	15.8
Millage Change	0.0	0.0	0.0	0.0	0.0
Percentage Change in Millage	0.1%	-0.2%	0.1%	0.1%	-0.1%
Fixed Sum Millage	0.0	0.0	0.0	0.0	0.0
Millage Change (no change)	0.0	0.0	0.0	0.0	0.0
Percentage Change in Millage	0.0%	0.0%	0.0%	0.0%	0.0%

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Total Effective Rate (Inside+Outside+Fixed Sum)	20.0	19.7	19.7	19.7	19.7

***Beginning with the first reappraisal or update cycle occurring in tax year 2026 or after, H.B. 129 includes fixed sum levies in the district floor calculation.

Does the Reappraisal/Update/Inflation generate taxpayer credits?

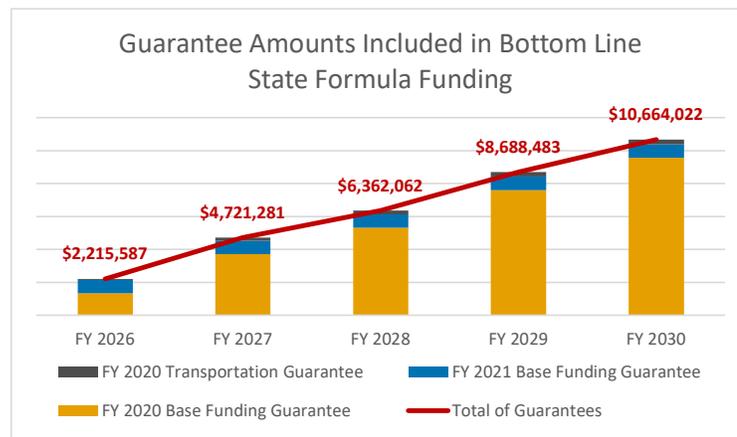
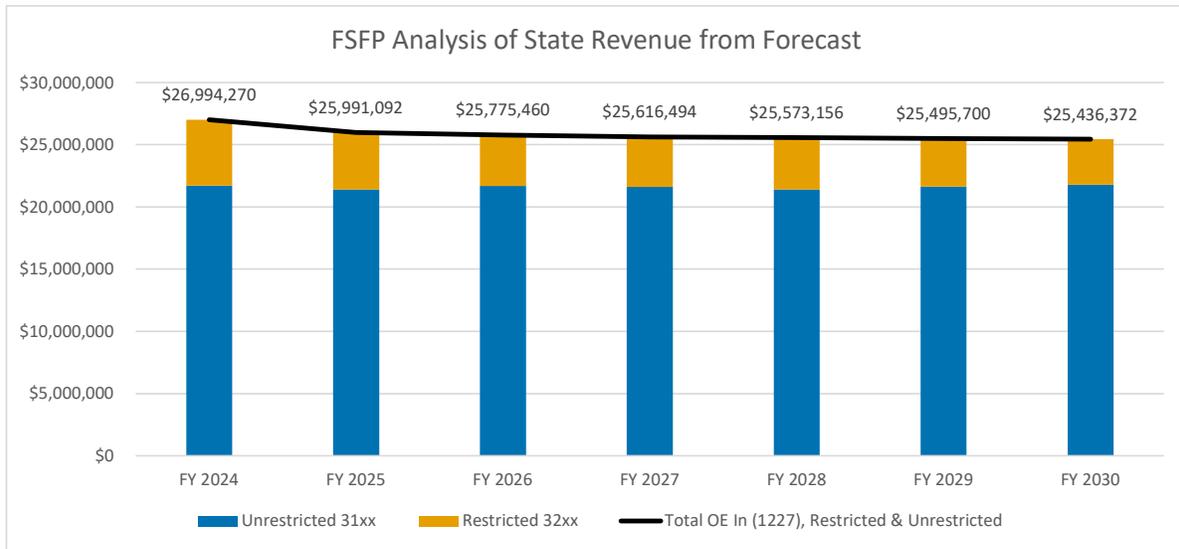
	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
H.B. 186 - Calculated Credit if at 20 Mill Floor	\$ -	\$ (1,202,332)	\$ (1,202,332)	\$ (1,202,332)	\$ (1,202,332)

***H.B. 186 credits are only for districts at the floor, if H.B. 129 and the inclusion of fixed-sum levies may bring districts off the floor and end credits.

Is the district modeling county budget commission imposed homestead and owner-occupied credit increases?

	FY 2026	FY 2027	FY 2028	FY 2029
Homestead/Owner-Occupied Credits	\$ (0)	\$ (0)	\$ (0)	\$ (0)

State Foundation Funding Results



	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Base Cost Per Pupil Total Funding	\$8,093	\$8,105	\$8,114	\$8,146	\$8,146
Local Share	42.9%	48.6%	53.4%	57.9%	63.1%
State Share	57.1%	51.4%	46.6%	42.1%	36.9%

Property Tax Reform Disclosure Items

The Ohio Department of Taxation, county auditors, and other partners are actively working through interpretation and implementation of property tax reform. As details are finalized, assumptions may evolve and updated forecasts may be necessary.

Property Tax Reform includes the following pieces of legislation:

H.B. 129 revises the 20-mill floor calculation to include fixed-sum levies. Impact begins in first update/ reappraisal cycle after tax year 2025.

H.B. 186 limits revenue increases associated with the 20-mill and 2-mill floors to inflation measured by three years of Gross Domestic Product Deflator (GDP-D) change. Taxpayers are given a credit based on update/reappraisal changes beginning in Tax Year 2023; credits are recalculated with each update/reappraisal. Districts first experience a fiscal impact in FY 2027 the impact represents full Tax Year 2025 revenue loss and one half of Tax Year 2026 revenue loss. In FY2028 and beyond the impact is only one year of revenue loss. Districts above the floor are not eligible for Inflation Cap Credits. DEW will reimburse districts on the 2023/2024 reappraisal cycles for the credit until the next reappraisal/ update cycle (2026/2027).

H.B. 335 caps inside millage revenue growth due to inflation. Beginning with update/reappraisal in tax year 2026 requires County Budget Commission to adjust inside millage rates to limit real property revenue increases to GDP-D growth over the three preceding years. Reduction applies to real and public utility personal property.

H.B. 96 allows counties to offer a property tax exemption that "piggy-backs" on existing state homestead exemption and owner-occupied credit. Unlike existing credit and exemption the piggy-back amounts are not reimbursed to the district by the state.

The Gross Domestic Product Deflator (GDP-D) is estimated based on available data from the U.S. Bureau of Economic Analysis (BEA) and Federal Reserve Bank's forward inflation expectation rate.