541 West 34th Street
Ashtabula, Ohio 44004
Tel: 440.992.1200
Fax: 440.992.1219
www.aacs.net

Memorandum

Date: August 19, 2026

To: AACS Board of Education

From: Mark Astorino, Chief Financial Officer

Re: August (FY27) Five Year Forecast Assumptions

- All revenues relatively flat. No growth from real property reappraisal revenue due to caps. State funding guarantee is locked in place for the near future.
- With static revenue, wage and benefit increases are nearly $1m per year. This means that the district must reduce expenditures by the same amount in order to fund these increases.
- 8% increase in health insurance due to large claim in FY26 resulting in stop loss premium and reserve increase.
- Classified wage increase - $1 hr./$.50 in FY27 and FY28 respectively.
- Certified salary increase 2% in FY28 and 1% in years beyond.
- No extraordinary expenses budgeted in the general fund.
- The trend of purchased service costs reaming high which is mainly driven by outside tuition and some outsourcing.
- Personnel related expenditures reductions of $600,000 were factored in for FY27.
- Facility cost reduction of $147,000 in FY26 and beyond.