Chillicothe City School District

Fiscal Year

2026

February

Financial Forecast Report



Prepared By:

Treasurer/CFO

Chillicothe City School District

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Forecast Purpose/Objectives

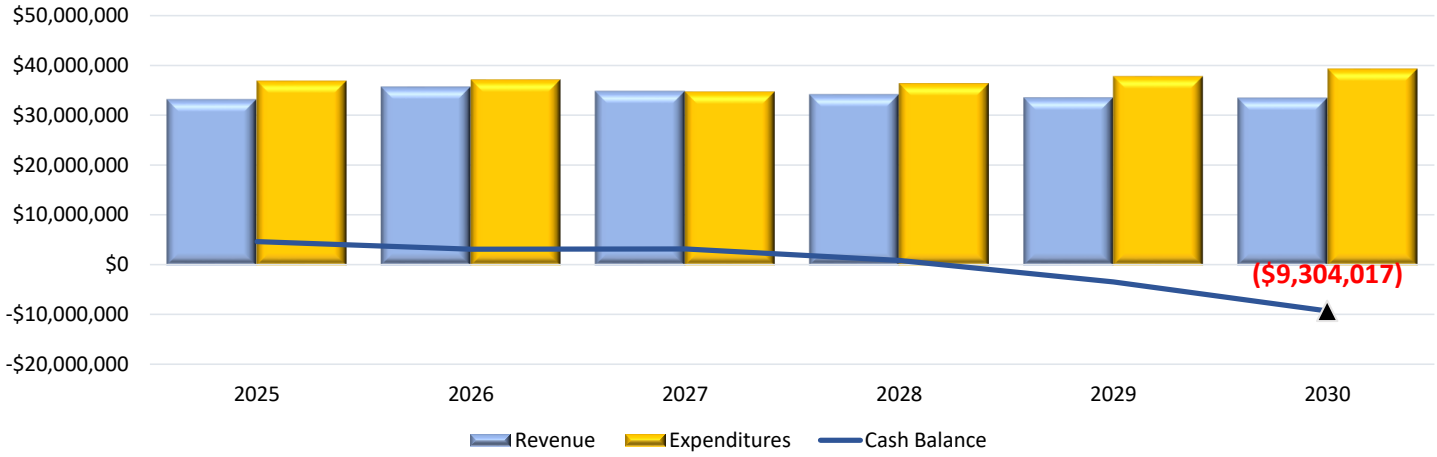
Ohio Department of Education and Workforce's purposes/objectives for the financial forecast are:

1. To engage the local board of education and the community in the long range planning and discussions of financial issues facin g 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 financia l 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.

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) **Includes Renewal/New Levy Revenue, see Disclosures*	4,624,778	3,102,376	3,131,828	840,370	(3,445,987)
+ Revenue	35,555,499	34,712,787	34,063,993	33,431,581	33,369,329
- Expenditures	(37,077,901)	(34,683,335)	(36,355,451)	(37,717,937)	(39,227,359)
= Revenue Surplus or Deficit	(1,522,402)	29,452	(2,291,458)	(4,286,357)	(5,858,030)
Line 7.020 Ending Balance with Renewal/New Levies	3,102,376	3,131,828	840,370	(3,445,987)	(9,304,017)

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 $13,928,795 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.

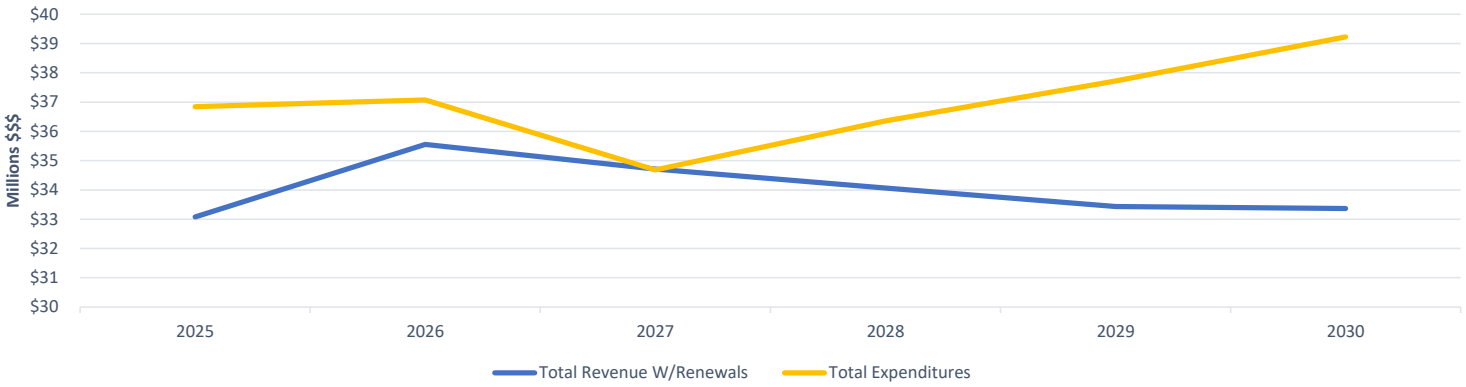
For revenue, projected change is expected to be less than the historical average. Over the past five years, revenue increased by 1.27% ($290,571 annually). However, it is projected to increase by 0.24% ($58,287 annually) through fiscal year 2030. Notably, State Funding, is expected to be $717,598 less per year compared to history, and is the biggest driver of trend change on the revenue side.

For expenditures, projected change is expected to be at a slower pace than the historical trend. Expenditures increased by 2.37% ($718,192 annually) during the past 5-year period, and are projected to increase by 1.35% ($477,113 annually) through 2030. The forecast line with the most change on the expense side, Salaries, is anticpated to be $930,172 less per year in the projected period compared to historical averages.

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

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Revenue Compared to Expenditures

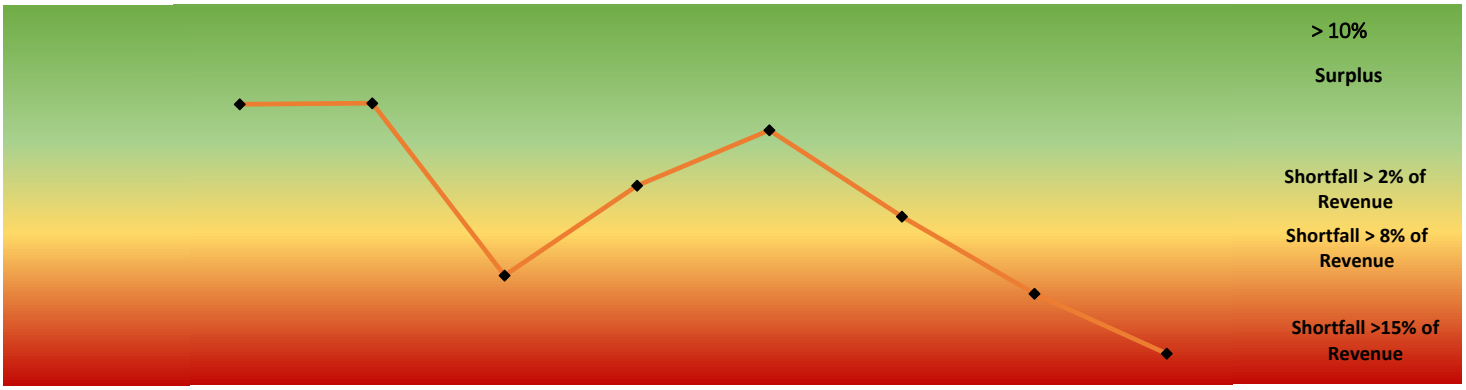


From 2026 to 2030, total revenues are projected to change by 0.24%

Expenditure change is expected to outpace revenue change.

From 2026 to 2030, total expenses are projected to change by 1.35%

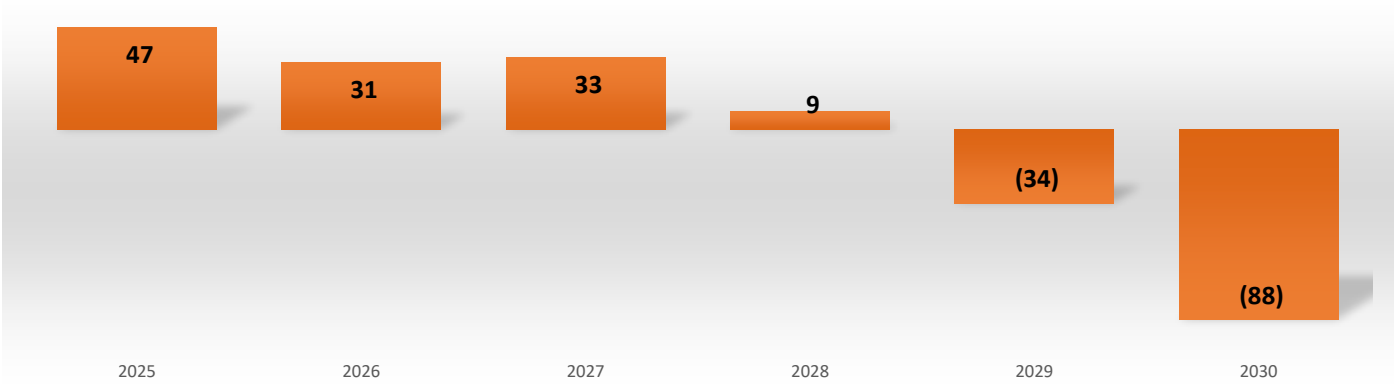
Revenue Surplus/(Shortfall) as a Percentage of Revenue



Current Forecast Surplus/(Shortfall)	2024	2025	2026	2027	2028	2029	2030
	2.2%	-11.4%	-4.3%	.1%	-6.7%	-12.8%	-17.6%

The district is trending toward revenue shortfall with the expenditures growing faster than revenue.
A revenue increase of 12.82% is needed to balance the budget in fiscal year 2030, or a $5,858,030 reduction in expenditures.
- The largest contributor to the projected revenue trend is the change in State Funding.
- The expenditure most impacting the changing trend is Salaries.

Days Cash on Hand at Fiscal Year-end

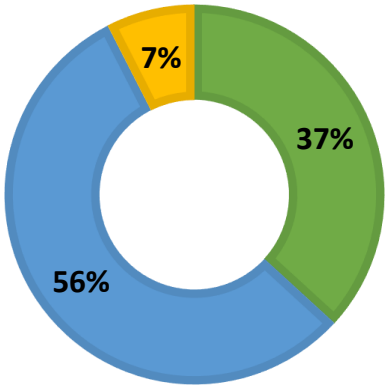


*based on 365 days

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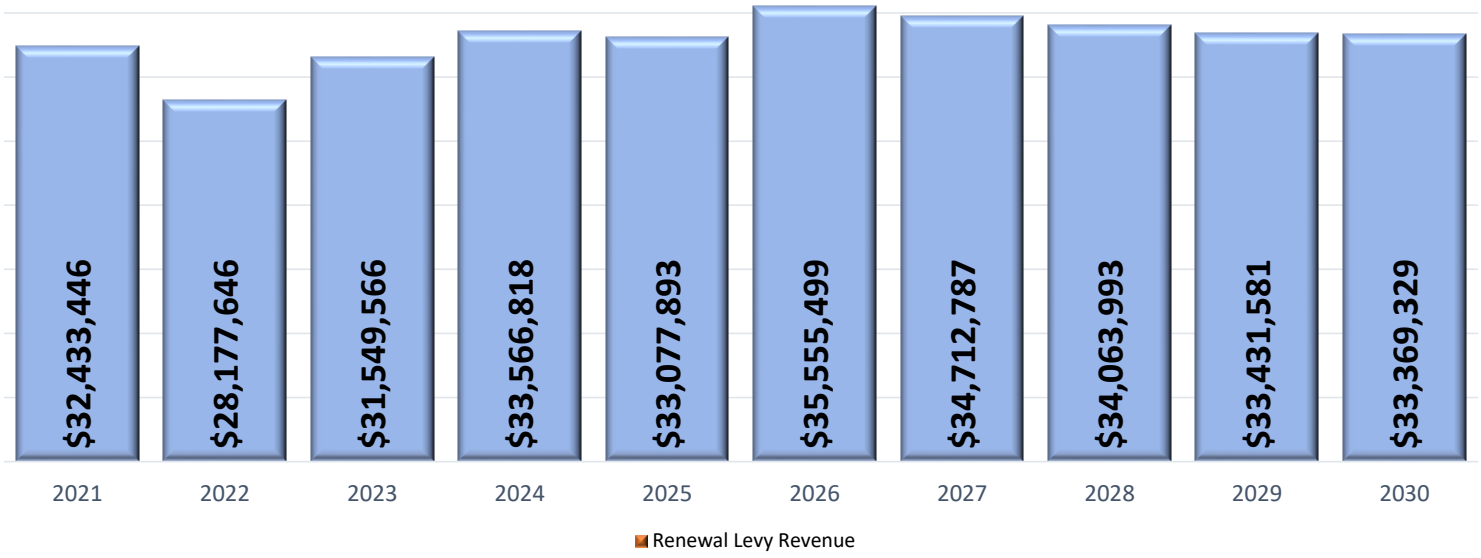
Revenue Overview

Revenue Sources



Local Taxes	
Real Estate Tax	30.31%
Public Utility Tax	6.51%
Income Tax	0.00%
State Sources	
State Funding	43.58%
Restricted Aid	8.41%
State Reimb Prop Tax Cr	3.67%
All Other Revenue	
Other Revenue	4.30%
Other Sources	3.23%

Annual Revenue Actual + Projected



Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual $$ Change	Projected Average Annual $$ Change	Projected Compared to Historical Variance
Real Estate	$113,166	$336,363	$223,197
Public Utility	$105,471	$42,784	($62,687)
Income Tax	$0	$0	$0
State Funding	$378,055	($339,544)	($717,598)
State Reimb Prop Tax Credits	($235,214)	$87,002	$322,216
All Othr Op Rev	($240,417)	$25,405	$265,822
Other Sources	$169,510	($93,724)	($263,234)
Total Average Annual Change	$290,571	$58,287	($232,284)
	1.27%	0.24%	-1.03%

Over the past five years, revenue increased by 1.27% ($290,571 annually). However, it is projected to increase by 0.24% ($58,287 annually) through fiscal year 2030. Notably, State Funding, is expected to be $717,598 less per year compared to history, and is the biggest driver of trend change on the revenue side.

For Comparison:

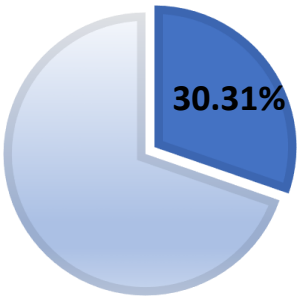
Expenditure average annual change is projected to be > $477,113

On an annual average basis, expenditures are projected to grow faster than revenue.

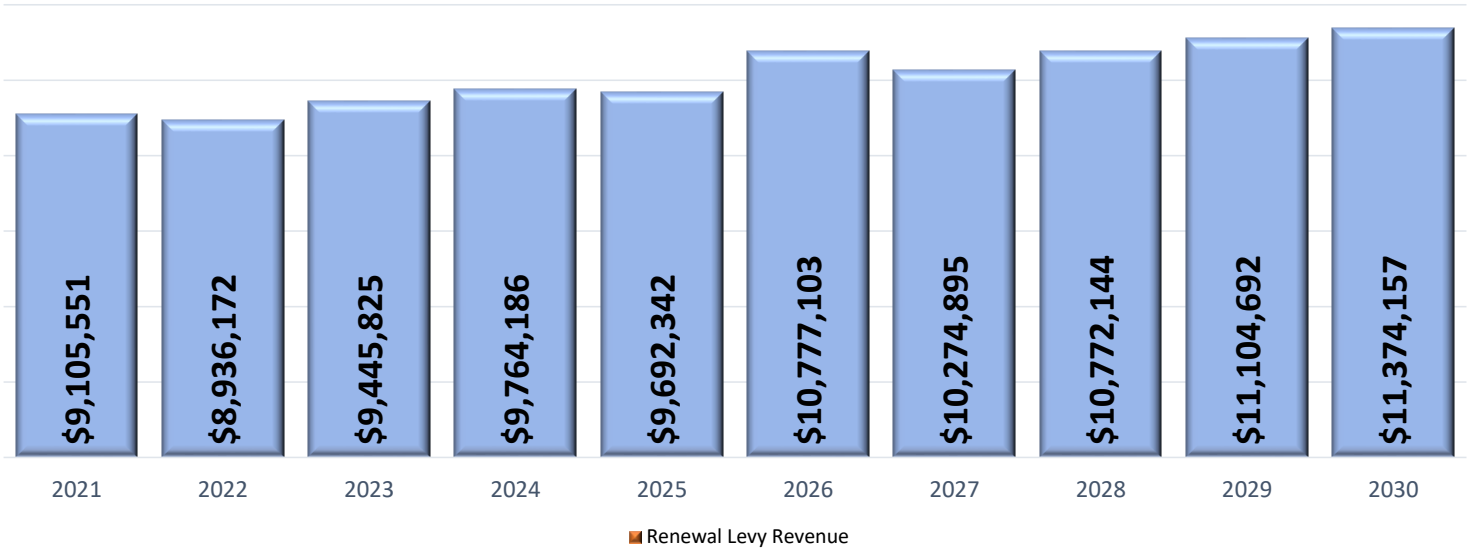
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1.010 - General Property Tax (Real Estate)

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 30.31% of total district general fund revenue.



Key Assumptions & Notes

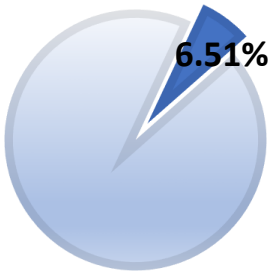
Values, Tax Rates and Gross Collections							Gross Collection Rate
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	Including Delinquencies
2024	488,241,070	748,720	20.04	-	28.42	-	99.5%
2025	641,349,430	153,108,360	20.00	(0.04)	21.70	(6.72)	99.9%
2026	642,949,430	1,600,000	20.01	0.01	21.70	-	99.9%
2027	644,449,430	1,500,000	20.02	0.01	21.70	-	99.9%
2028	684,654,430	40,205,000	20.00	(0.02)	20.92	(0.78)	99.9%
2029	686,254,430	1,600,000	20.01	0.01	20.92	(0.00)	99.9%

Class I, or residential/agricultural taxes make up approximately 61.79% of the real estate property tax revenue. The Class I tax rate is 20.00 mills in tax year 2025. The projections reflect an average gross collection rate of 99.9% annually through tax year 2029. The revenue changed at an average annual historical rate of 1.25% and is projected to change at an average annual rate of 3.38% through fiscal year 2030.

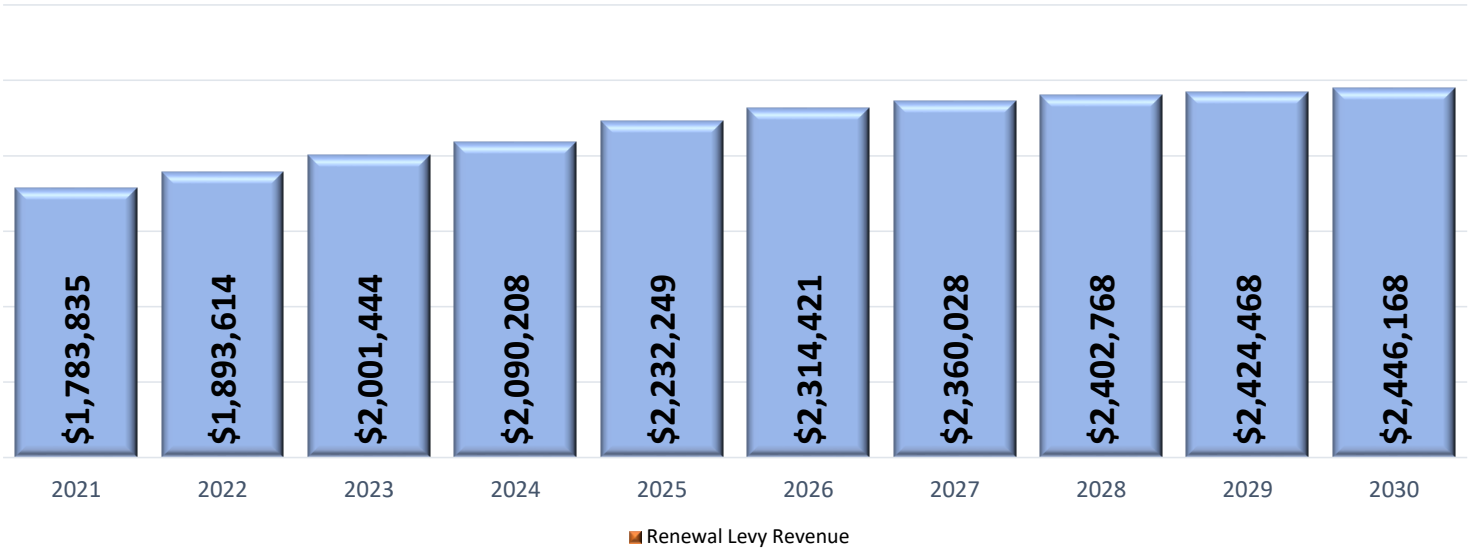
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1.020 - Public Utility Personal Property

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 6.51% of total district general fund revenue.



Key Assumptions & Notes

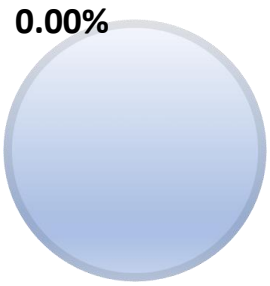
Values and Tax Rates					Gross Collection Rate
Tax Year	Valuation	Value Change	Full Voted Rate	Change	Including Delinquencies
2024	53,852,840	5,505,960	43.70	-	97.8%
2025	53,604,742	(248,098)	43.70	-	99.3%
2026	55,104,742	1,500,000	43.70	-	99.3%
2027	55,604,742	500,000	43.70	-	99.3%
2028	56,104,742	500,000	43.70	-	99.3%
2029	56,604,742	500,000	43.70	-	99.3%

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 43.70 mills. The forecast is modeling an average gross collection rate of 99.32%. The revenue changed historically at an average annual dollar amount of $105,471 and is projected to change at an average annual dollar amount of $42,784 through fiscal year 2030.

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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.



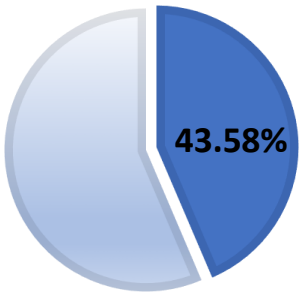
Key Assumptions & Notes

The district does not have an income tax levy.

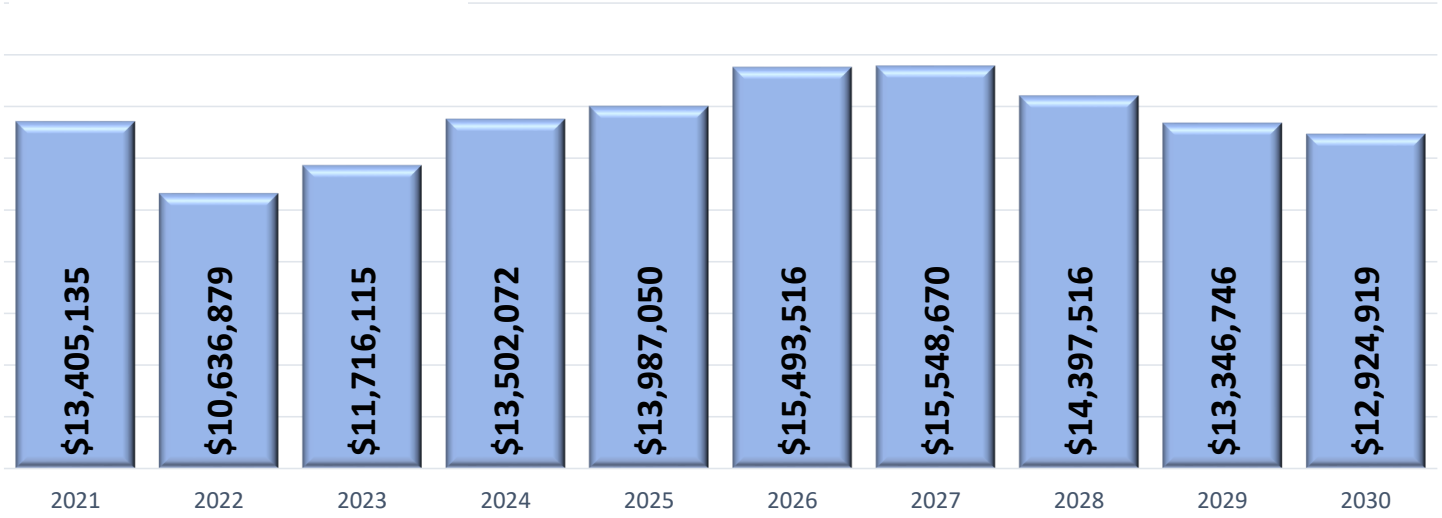
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1.035 - Unrestricted Grants-in-Aid

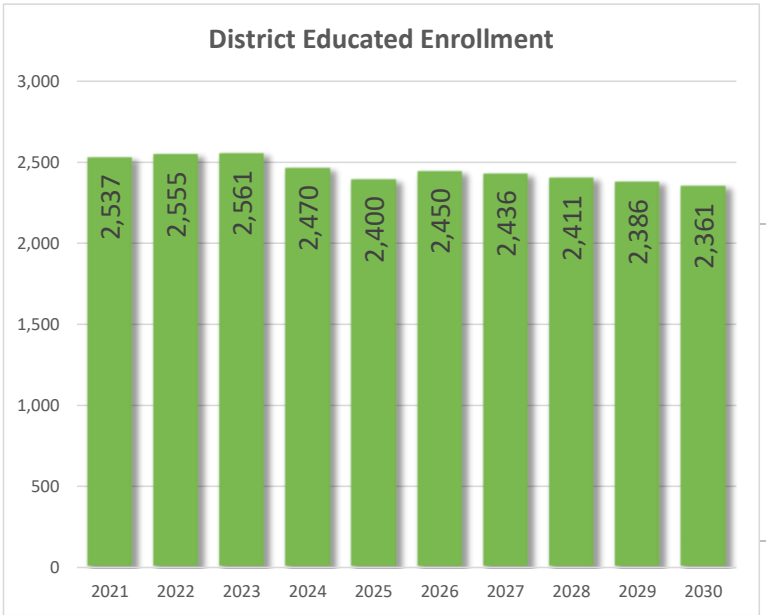
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 43.58% 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 Chillicothe City School District, the calculated Base Cost total is $20,066,222 in 2026.

The State's Share of the calculated Base Cost total is $10,194,962, or $4,161 per pupil.

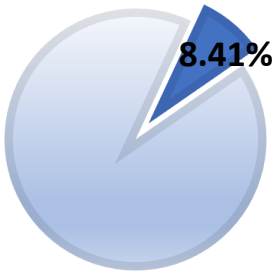
The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts, which impacts the expense side of the forecast.

Base cost inputs within the forecast are held stagnant. This assumption reflects the continuation of funding practices observed during the most recent biennial state budget

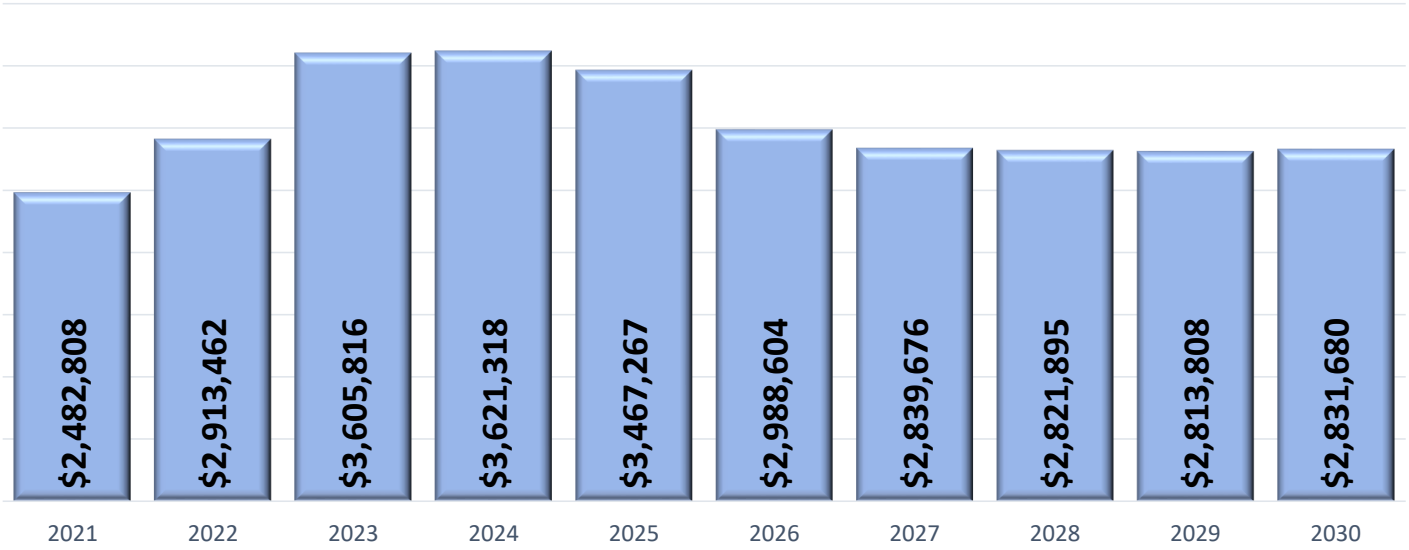
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1.040 & 1.045 - Restricted Grants-in-Aid

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



Restricted State Aid revenue accounts for 8.41% of total district general fund revenue.



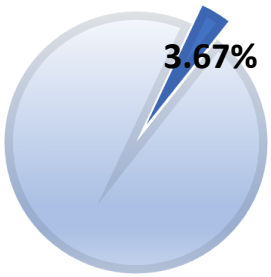
Key Assumptions & Notes

Restricted aid is the portion of state per pupil funding that must be classifed as restricted use. Historically the district's restricted state aid changed annually on average by $184,602 and is projected to change annually on average by -$127,117. Restricted funds represent 8.41% 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 $455,867. This funding has implications on general fund expenditures in that certain spending now occuring 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.

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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 3.67% of total district general fund revenue.



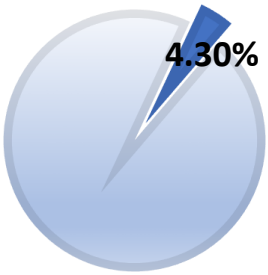
Key Assumptions & Notes

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 11.7% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 4.1% will be reimbursed in the form of qualifying homestead exemption credits.

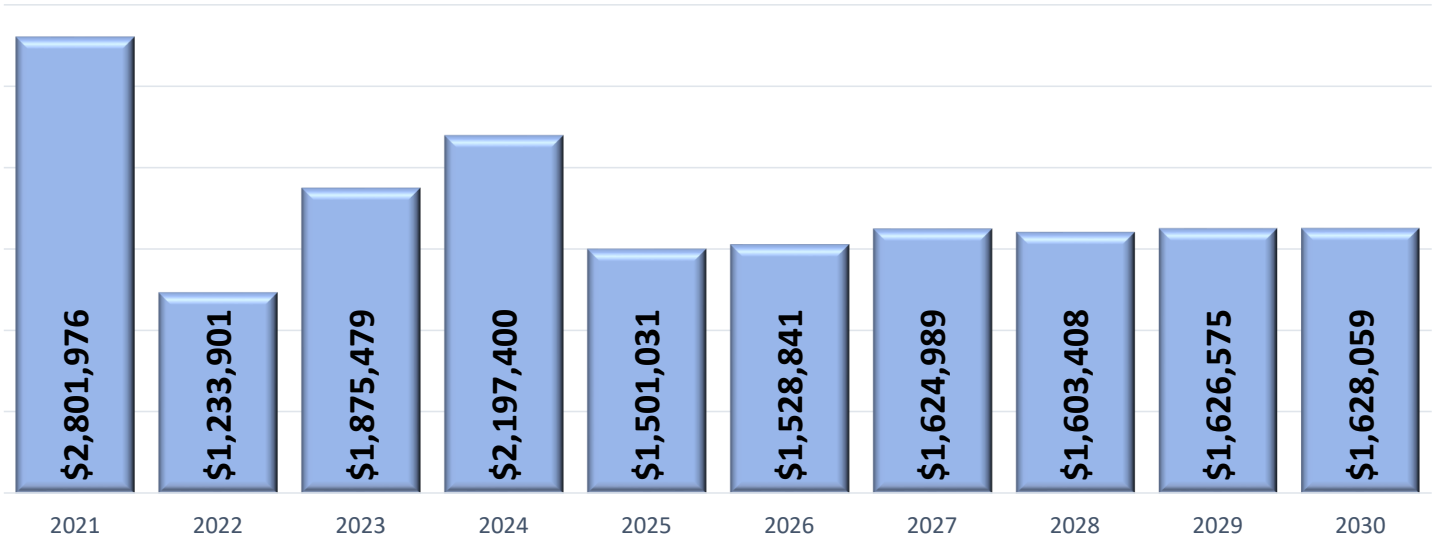
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1.060 - All Other Operating Revenues

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



All Other Revenue accounts for 4.30% of total district general fund revenue.



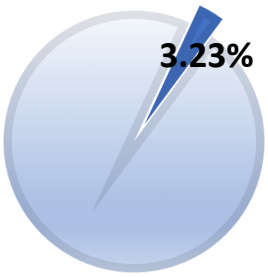
Key Assumptions & Notes

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 -$240,417. The projected average annual change is $25,405 through fiscal year 2030.

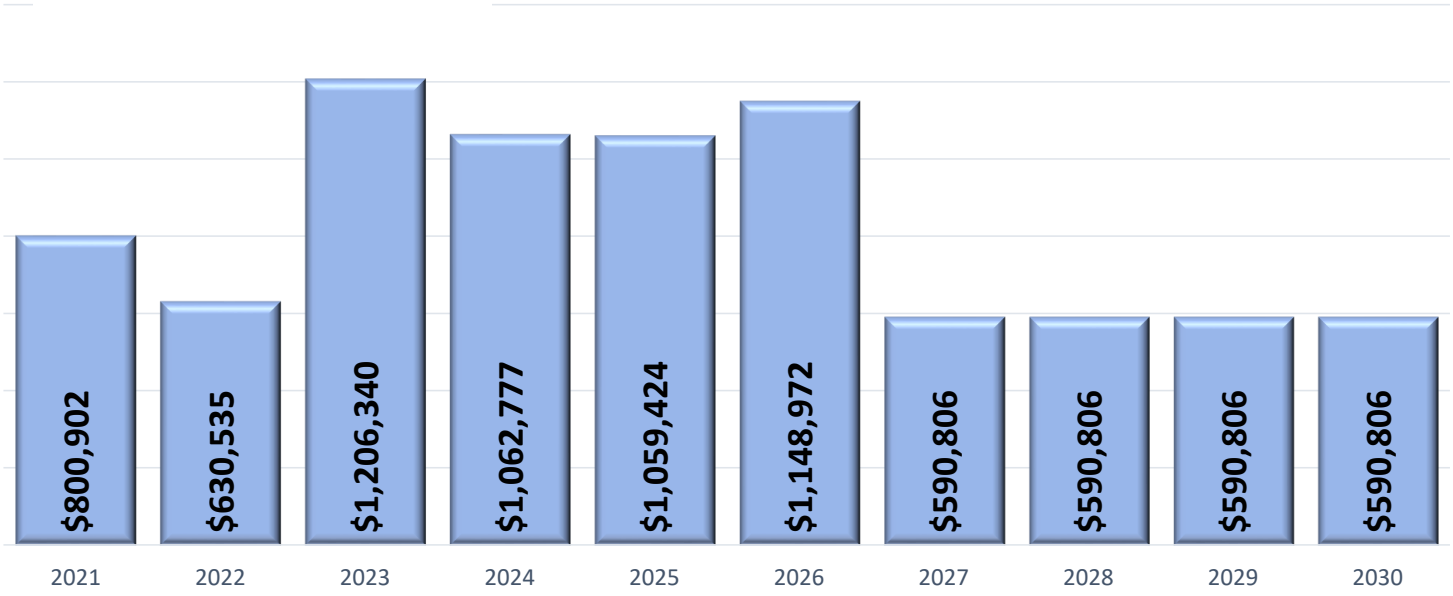
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2.070 - Total Other Financing Sources

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 3.23% of total district general fund revenue.



Key Assumptions & Notes

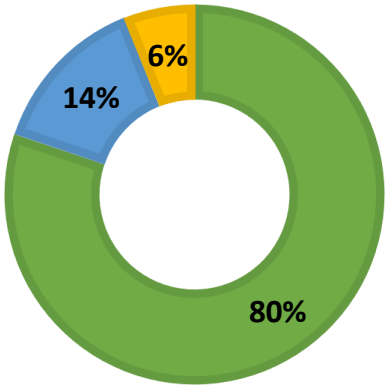
		FORECASTED				
	2025	2026	2027	2028	2029	2030
Transfers In	-	-	-	-	-	-
Advances In	968,618	1,058,166	500,000	500,000	500,000	500,000
All Other Financing Sources	90,806	90,806	90,806	90,806	90,806	90,806

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In 2025 the district receipted $968,618 as advances-in and is projecting advances of $1,058,166 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 $90,806 in 2026 and average $90,806 annually through 2030.

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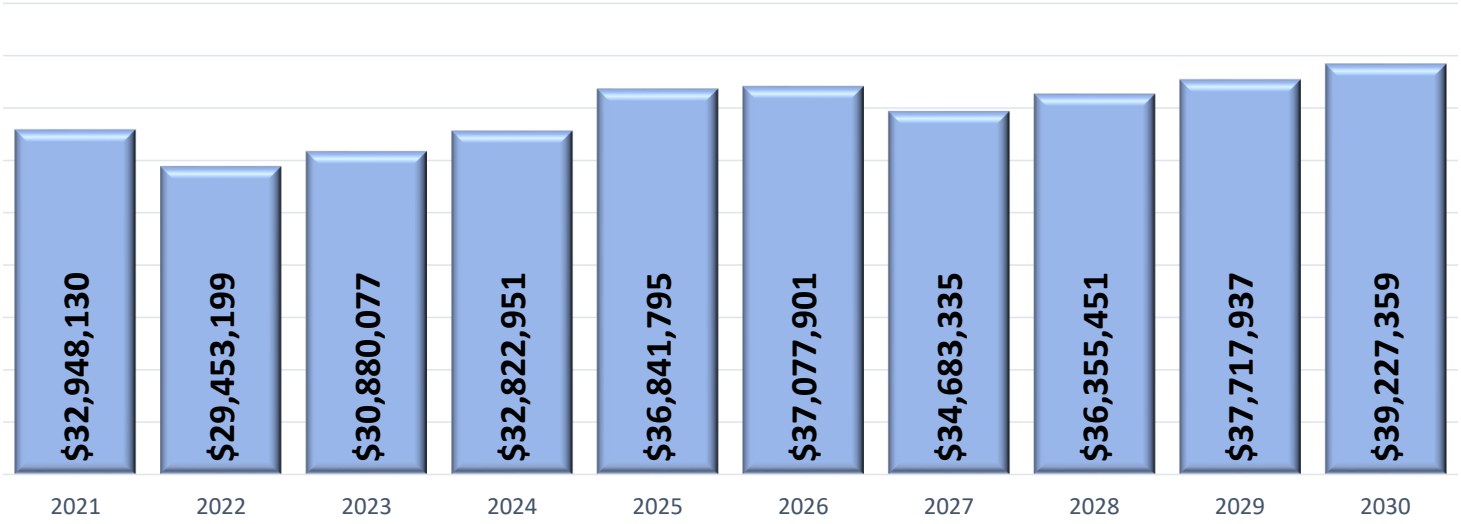
Expenditure Overview

Expenditure Categories



Personnel Costs	
Salaries	58.19%
Benefits	21.96%
Purchased Services	13.80%
All Other Expenditures	
Supplies, Capital, Debt, Other Obj	4.15%
Other Uses	1.89%

Annual Expenditures Actual + Projected



Historic Expenditures Change versus Projected Expenditures Change

	Historical Average Annual $$ Change	Projected Average Annual $$ Change	Projected Compared to Historical Variance
Salaries	$1,123,356	$193,184	($930,172)
Benefits	$249,528	$321,700	$72,172
Purchased Services	($808,612)	$35,706	$844,318
Supplies & Materials	$88,394	$2,613	($85,781)
Capital Outlay	($22,926)	($2,126)	$20,800
Intergov & Debt	$0	$0	($0)
Other Objects	($8,241)	$20,013	$28,254
Other Uses	$96,693	($93,976)	($190,670)
Total Average Annual Change	$718,192	$477,113	($241,079)
	2.37%	1.35%	-1.02%

Expenditures increased by 2.37% ($718,192 annually) during the past 5-year period, and are projected to increase by 1.35% ($477,113 annually) through 2030. The forecast line with the most change on the expense side, Salaries, is anticpated to be $930,172 less per year in the projected period compared to historical averages.

For Comparison:

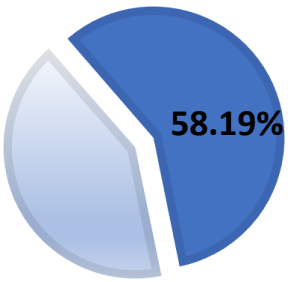
Revenue average annual change is projected to be > $58,287

On an annual average basis, revenues are projected to grow slower than expenditures.

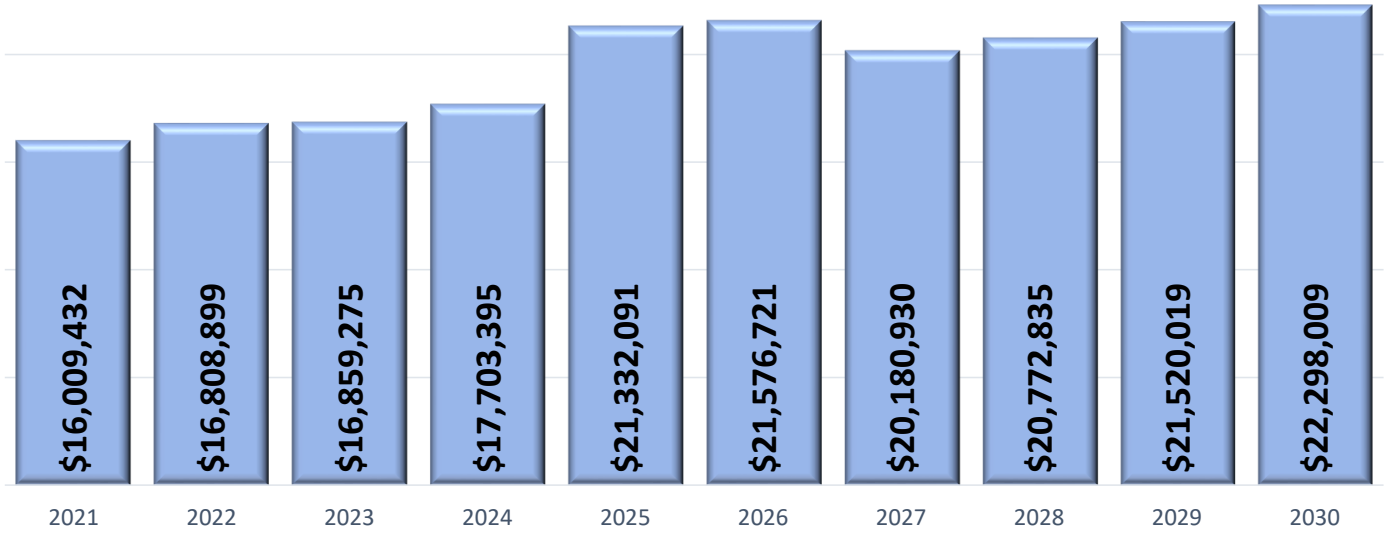
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3.010 - Personnel Services

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



Salaries account for 58.19% of the district's total general fund spending.



Key Assumptions & Notes

Salaries represent 58.19% of total expenditures and increased at a historical average annual rate of 6.53% (or $1,123,356). This category of expenditure is projected to grow at an annual average rate of 0.96% (or $193,184) through fiscal year 2030. The projected average annual rate of change is 5.57% less than the five year historical annual average.

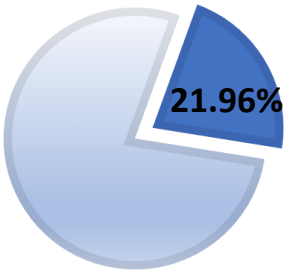
Hiring Freeze and Staffing Reductions – Recommendation
As part of long-term financial planning, the forecast includes a continued recommendation to the Board of Education to extend the hiring freeze into FY27. The continuation of this measure is intended to allow staffing reductions to materialize through attrition, with vacant positions reviewed on a case-by-case basis and filled only when operationally necessary to maintain required services. Realization of these reductions is necessary to slow expenditure growth and support the District's long-term financial stability.

Additional information outlining the District's financial stabilization strategies is included in the Financial Recovery Plan located on page 31.

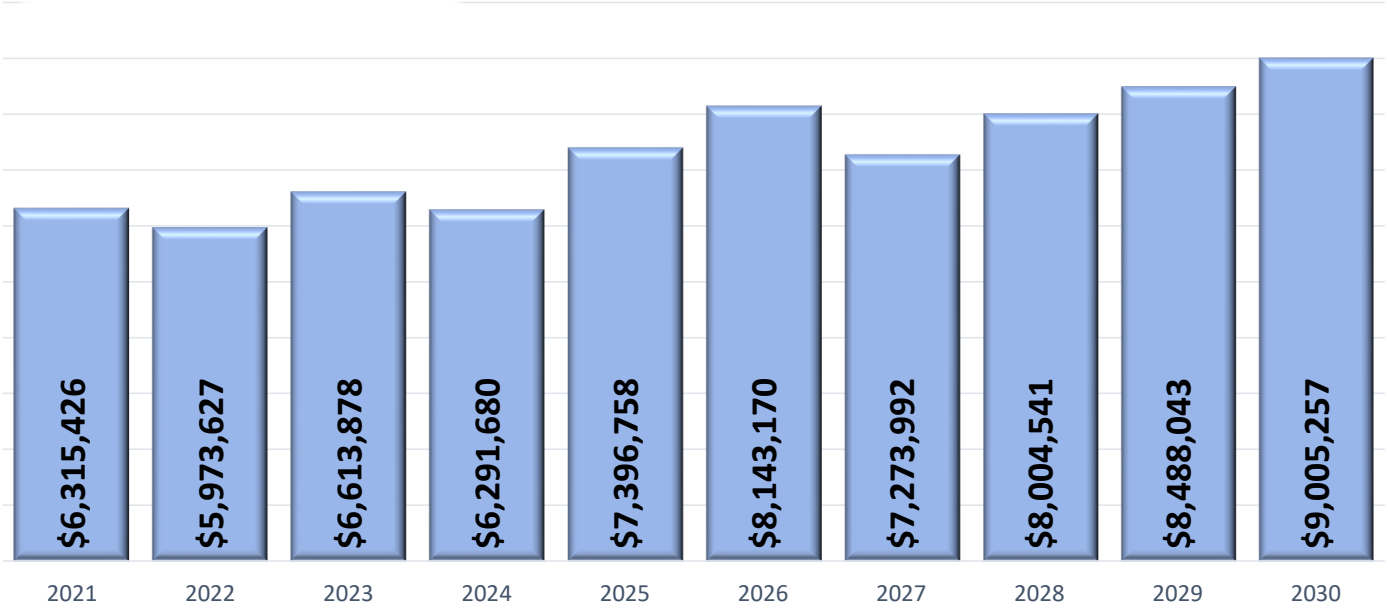
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3.020 - Employees' Benefits

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



Benefits account for 21.96% of the district's total general fund spending.



Key Assumptions & Notes

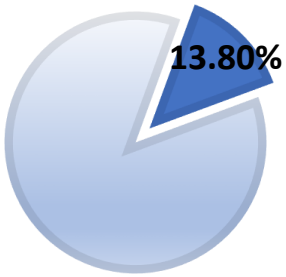
Benefits represent 21.96% of total expenditures and increased at a historical average annual rate of 4.14%. This category of expenditure is projected to grow at an annual average rate of 4.32% through fiscal year 2030. The projected average annual rate of change is 0.18% more than the five year historical annual average.

Additional information outlining the District's financial stabilization strategies is included in the Financial Recovery Plan located on page 31.

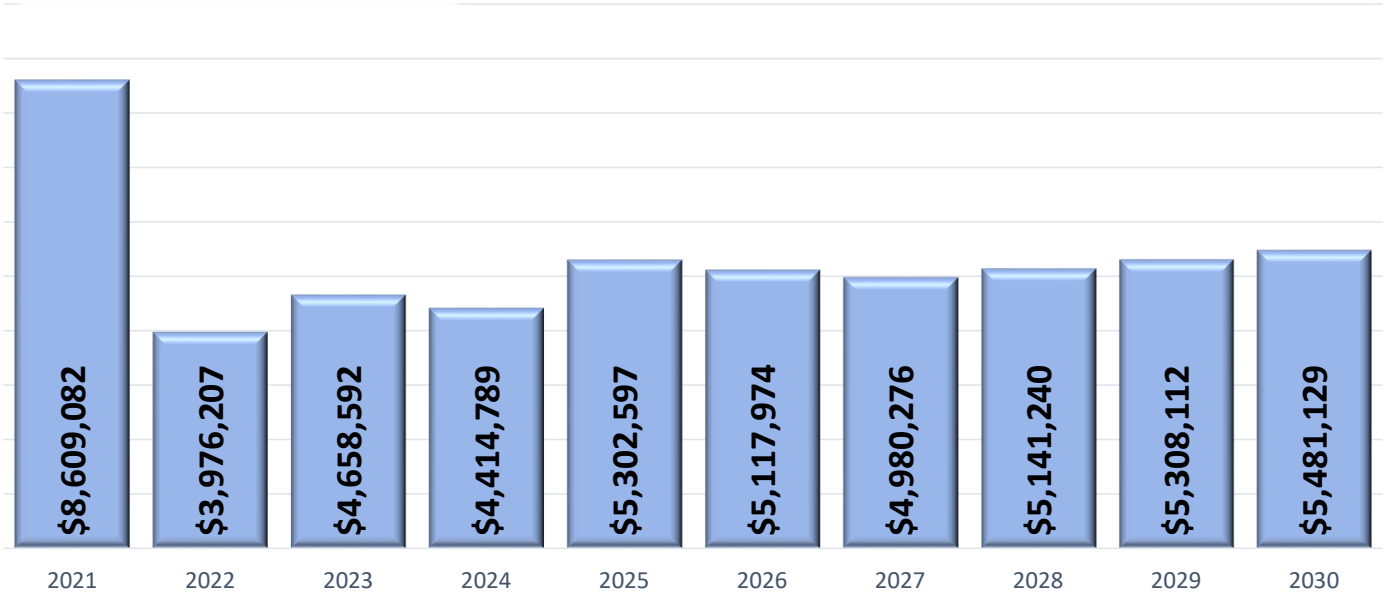
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3.030 - Purchased Services

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 13.80% of the district's total general fund spending.



Key Assumptions & Notes

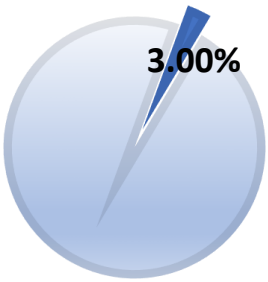
Purchased Services represent 13.80% of total expenditures and decreased at a historical average annual rate of 5.93%. This category of expenditure is projected to grow at an annual average rate of 0.71% through fiscal year 2030. Starting in 2022, the Fair School Funding Plan (State Funding) only accounted for district educated enrollment, thereby reducing district tuition costs for open enrollment 'out,' community schools, STEM, and scholarship students. This change resulted in lower district costs, but also less per pupil state revenue since per pupil funding is now paid directly by the state to the district students attend.

Additional information outlining the District's financial stabilization strategies is included in the Financial Recovery Plan located on page 31.

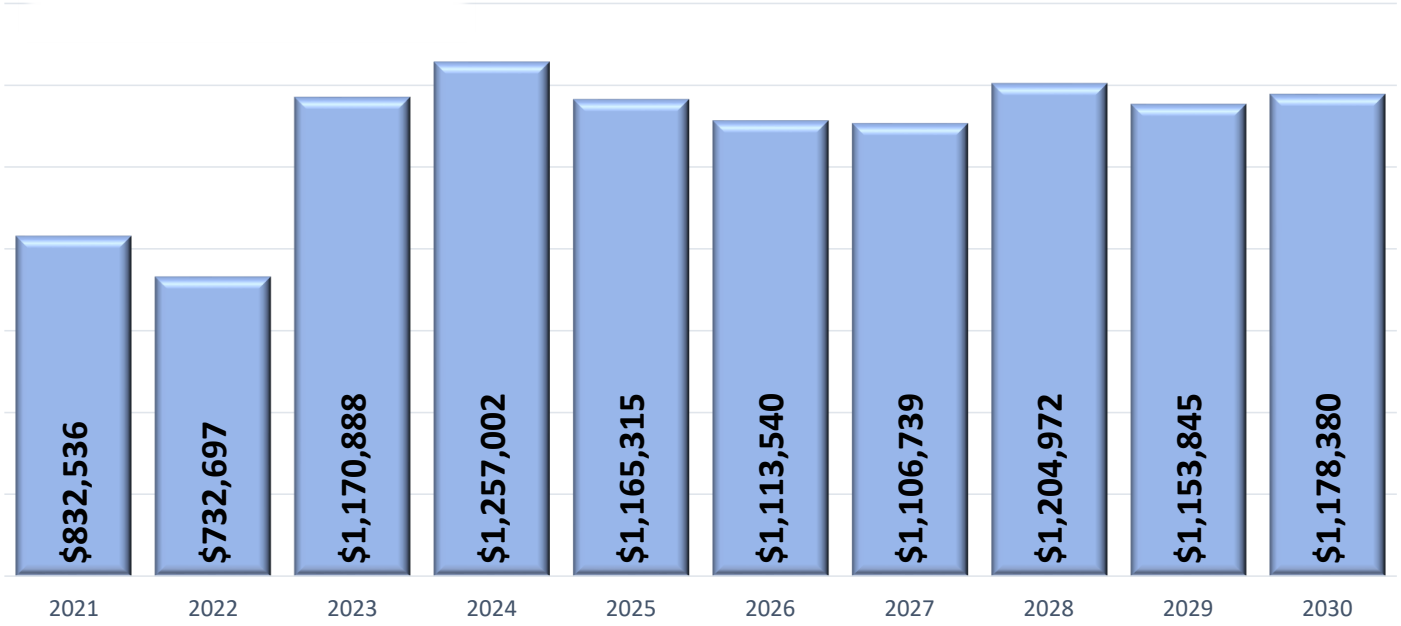
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3.040 - Supplies & Materials

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 3.00% of the district's total general fund spending.



Key Assumptions & Notes

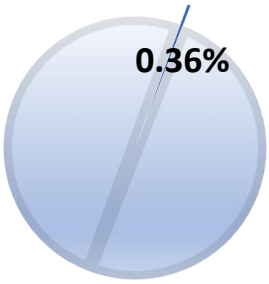
Supplies & Materials represent 3.00% of total expenditures and increased at a historical average annual rate of 12.59%. This category of expenditure is projected to grow at an annual average rate of 0.34% through fiscal year 2030. The projected average annual rate of change is 12.25% less than the five year historical annual average.

Additional information outlining the District's financial stabilization strategies is included in the Financial Recovery Plan located on page 31.

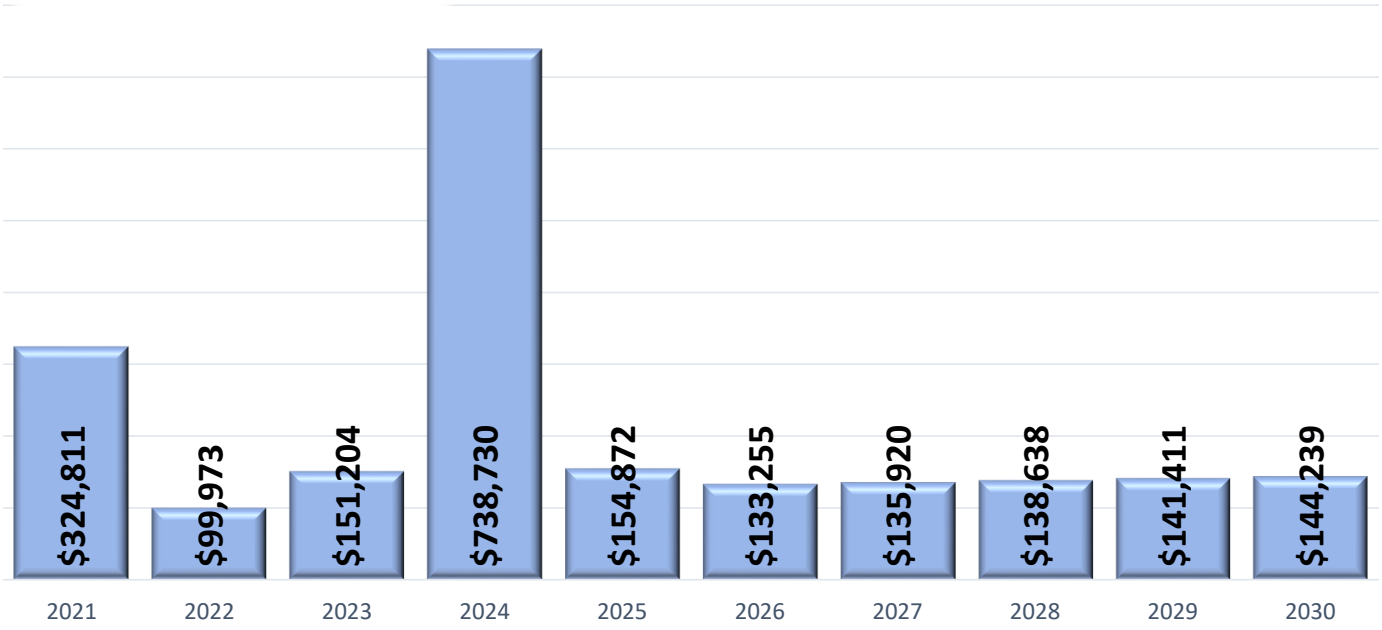
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3.050 - Capital Outlay

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 0.36% of the district's total general fund spending.



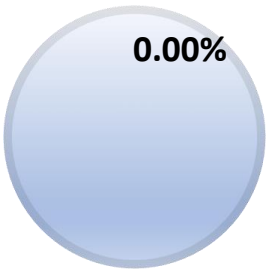
Key Assumptions & Notes

Capital Outlay represent 0.36% of total expenditures and decreased at a historical average annual amount of $22,926. This category of expenditure is projected to decrease at an annual average rate of $2,126 through 2030. The projected average annual change is less than the five year historical annual average.

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3.060-4.060 - Intergovernmental & Debt

These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.



Intergovernmental and Debt account for 0.00% of the district's total general fund spending.



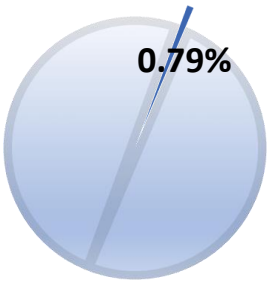
Key Assumptions & Notes

The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

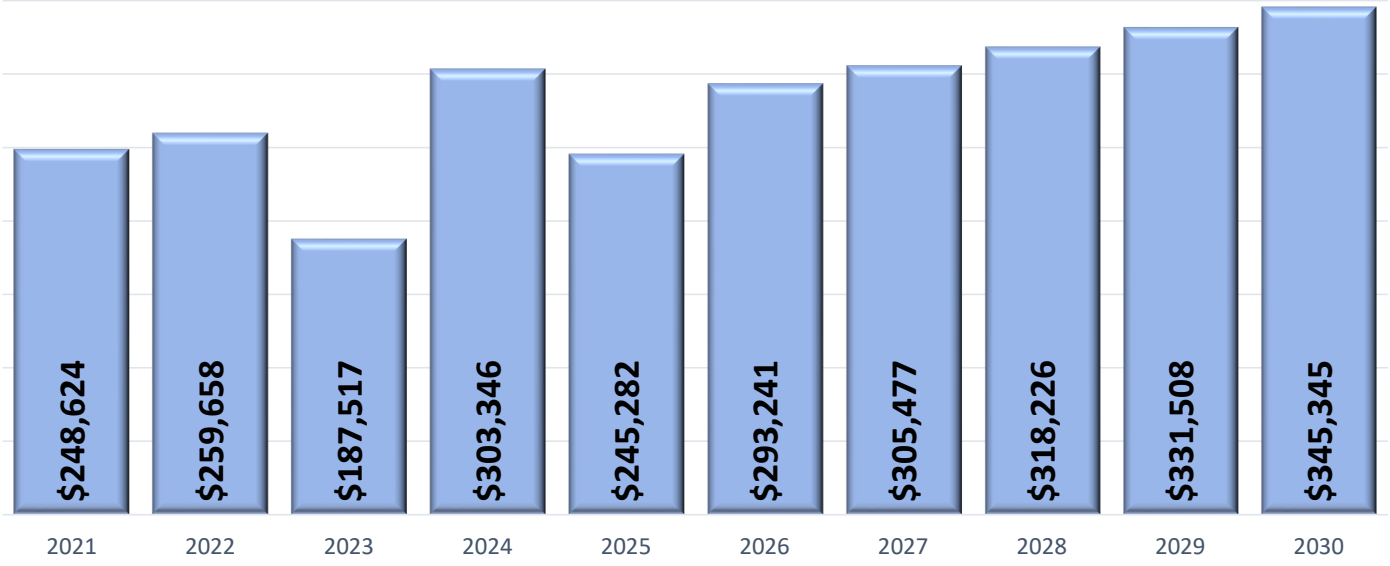
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4.300 - Other Objects

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 0.79% of the district's total general fund spending.



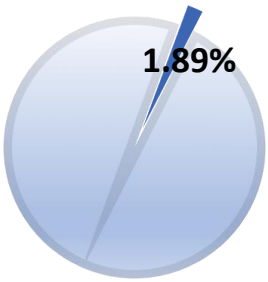
Key Assumptions & Notes

Other Objects represent 0.79% of total expenditures and increased at a historical average annual rate of 1.21%. This category of expenditure is projected to grow at an annual average rate of 7.25% through fiscal year 2030. The projected average annual rate of change is 6.04% more than the five year historical annual average.

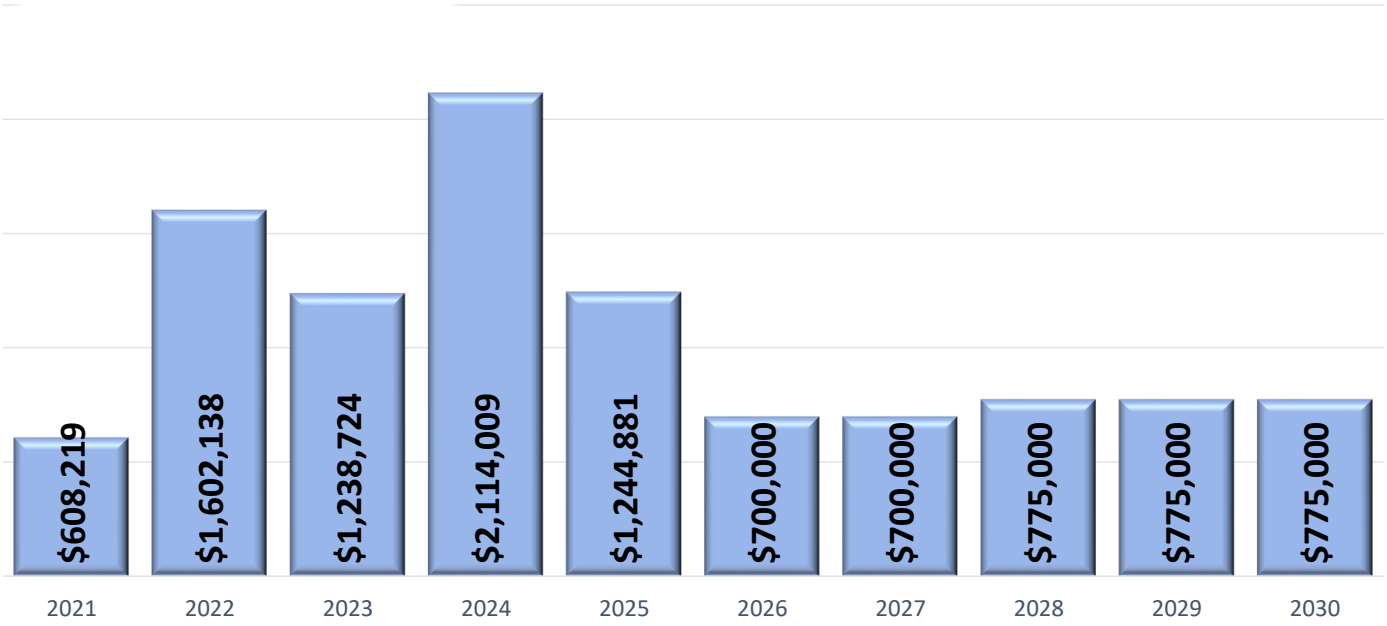
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5.040 - Total Other Financing Uses

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



Other Uses account for 1.89% of the district's total general fund spending.



Key Assumptions & Notes

		FORECASTED				
	2025	2026	2027	2028	2029	2030
Transfers Out	186,715	200,000	200,000	275,000	275,000	275,000
Advances Out	1,058,166	500,000	500,000	500,000	500,000	500,000
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.

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Chillicothe City School District

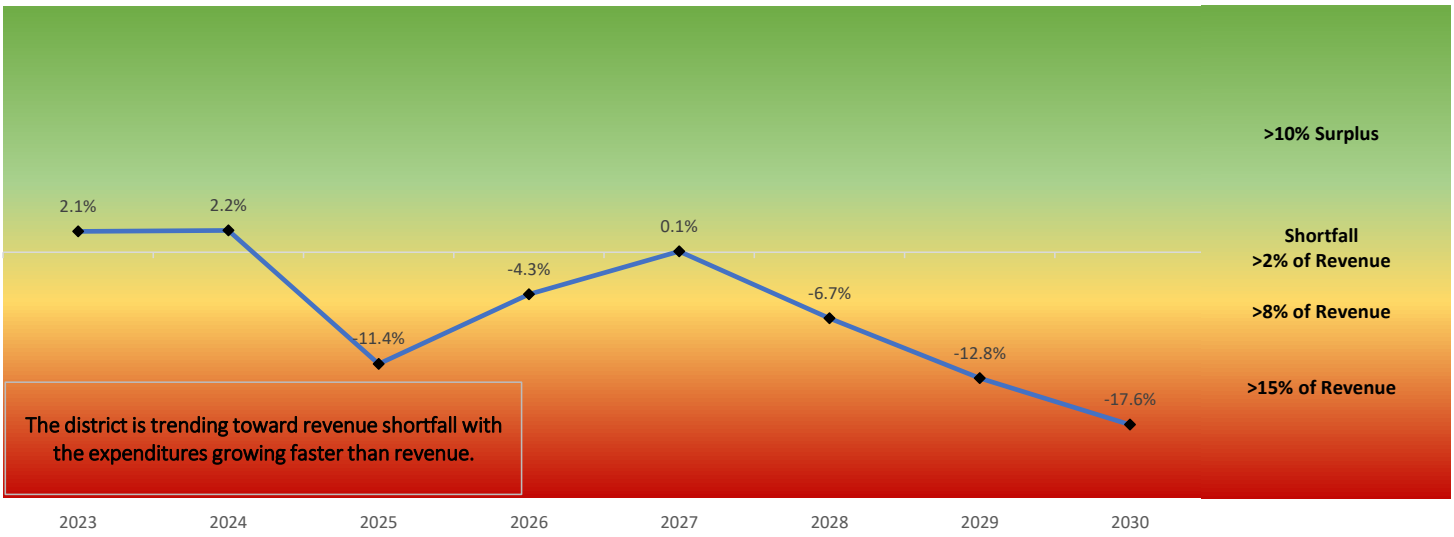
Five Year Forecast

February Fiscal Year 2026

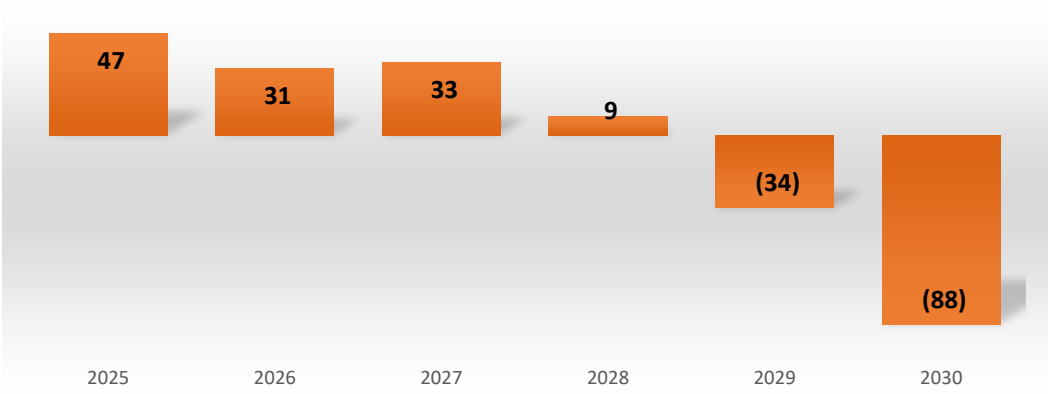
	Actual	FORECASTED				
Fiscal Year:	2025	2026	2027	2028	2029	2030
Revenue:						
1.010 - General Property Tax (Real Estate)	9,692,342	10,777,103	10,274,895	10,772,144	11,104,692	11,374,157
1.020 - Public Utility Personal Property	2,232,249	2,314,421	2,360,028	2,402,768	2,424,468	2,446,168
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	13,987,050	15,493,516	15,548,670	14,397,516	13,346,746	12,924,919
1.040 - Restricted Grants-in-Aid	3,467,267	2,988,604	2,839,676	2,821,895	2,813,808	2,831,680
1.050 - State Reimb Prop Tax Credits	1,138,529	1,304,041	1,473,723	1,475,456	1,524,485	1,573,540
1.060 - All Other Operating Revenues	1,501,031	1,528,841	1,624,989	1,603,408	1,626,575	1,628,059
1.070 - Total Revenue	32,018,469	34,406,526	34,121,981	33,473,187	32,840,774	32,778,523
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	968,618	1,058,166	500,000	500,000	500,000	500,000
2.060 - All Other Financing Sources	90,806	90,806	90,806	90,806	90,806	90,806
2.070 - Total Other Financing Sources	1,059,424	1,148,972	590,806	590,806	590,806	590,806
2.080 - Total Rev & Other Sources	33,077,893	35,555,499	34,712,787	34,063,993	33,431,581	33,369,329
Expenditures:						
3.010 - Personnel Services	21,332,091	21,576,721	20,180,930	20,772,835	21,520,019	22,298,009
3.020 - Employee Benefits	7,396,758	8,143,170	7,273,992	8,004,541	8,488,043	9,005,257
3.030 - Purchased Services	5,302,597	5,117,974	4,980,276	5,141,240	5,308,112	5,481,129
3.040 - Supplies and Materials	1,165,315	1,113,540	1,106,739	1,204,972	1,153,845	1,178,380
3.050 - Capital Outlay	154,872	133,255	135,920	138,638	141,411	144,239
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	245,282	293,241	305,477	318,226	331,508	345,345
4.500 - Total Expenditures	35,596,914	36,377,901	33,983,335	35,580,451	36,942,937	38,452,359
Other Financing Uses						
5.010 - Operating Transfers-Out	186,715	200,000	200,000	275,000	275,000	275,000
5.020 - Advances-Out	1,058,166	500,000	500,000	500,000	500,000	500,000
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	1,244,881	700,000	700,000	775,000	775,000	775,000
5.050 - Total Exp and Other Financing Uses	36,841,795	37,077,901	34,683,335	36,355,451	37,717,937	39,227,359
6.010 - Excess of Rev Over/(Under) Exp	(3,763,902)	(1,522,402)	29,452	(2,291,458)	(4,286,357)	(5,858,030)
7.010 - Cash Balance July 1 (No Levies)	8,388,680	4,624,778	3,102,376	3,131,828	840,370	(3,445,987)
7.020 - Cash Balance June 30 (No Levies)	4,624,778	3,102,376	3,131,828	840,370	(3,445,987)	(9,304,017)
		Reservations				
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	4,624,778	3,102,376	3,131,828	840,370	(3,445,987)	(9,304,017)
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	4,624,778	3,102,376	3,131,828	840,370	(3,445,987)	(9,304,017)
Revenue from New Levies						
13.010 & 13.020 - New Levies		-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	4,624,778	3,102,376	3,131,828	840,370	(3,445,987)	(9,304,017)

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Revenue Surplus/(Shortfall) - Current Forecast



Days Cash on Hand - Current Forecast

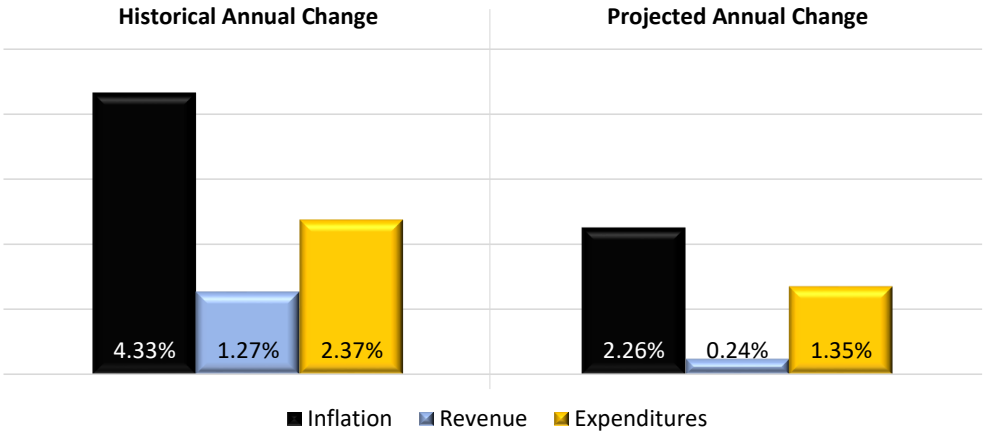


Days cash on hand is projected to decline and is projected to be negative by 2030.

*based on 365 days

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

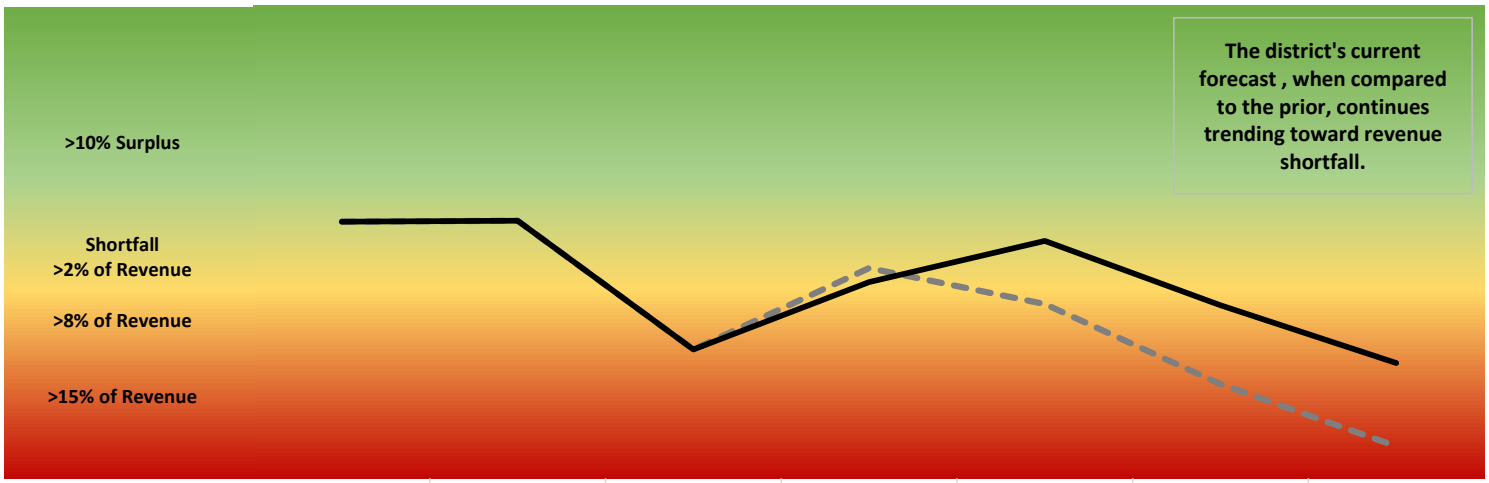
Average projected annual expenditure change is less than inflation , and more than revenue.



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

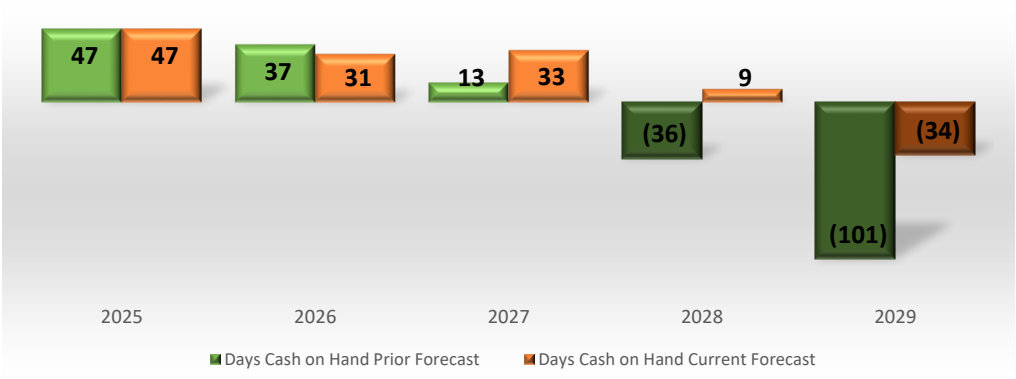
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Revenue Surplus/(Shortfall) - Current Compared to Prior Forecast



	2023	2024	2025	2026	2027	2028	2029
Prior Forecast	2.1%	2.2%	-11.4%	-2.8%	-6.6%	-15.1%	-21.6%
Current Forecast	2.1%	2.2%	-11.4%	-4.3%	0.1%	-6.7%	-12.8%

Days Cash on Hand - Current Compared to Prior Forecast



Days cash on hand is forecasted to decline, and is similar to the prior forecast trend.

*based on 365 days

Revenue and Expenditure Variances - Current Compared to Prior Forecast

		Revenue Variance
Cumulative Unfavorable Revenue Variance	-0.59%	($1,021,337)
Largest Revenue Variances		
1.01 Real Estate	-2.23%	($3,834,221)
1.035,1.040 State	1.62%	$2,790,999
1.060 All Other 2.xx Other Sources	0.22%	$376,795
All Other Revenue Categories	-0.21%	($354,910)

The current revenue forecast is down by 0.59% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2025 - 2029 of Revenue and Expense variances is 3.96% (or $7,693,033).

The current forecast for expenditures is down by 4.55% compared to the prior forecast.

Expenditure Variance		
-4.55%	($8,714,369)	Cumulative Favorable Expenditure Variance
Largest Expenditure Variances		
-3.88%	($7,416,805)	3.01 Salaries
-0.47%	($898,881)	3.02 Benefits
-0.15%	($296,129)	3.03 Purchased Serv.
-0.05%	($102,554)	All Other Expenditure Categories

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Forecast Compare $$ Variance

Current Over/(Under) Prior

		Actual	FORECASTED			
		2025	2026	2027	2028	2029
Revenue:	1.01 Real Estate	0	(94,471)	(1,552,591)	(1,092,946)	(1,094,213)
	1.02 Pub Utility	0	(39,090)	(75,869)	(75,868)	(75,869)
	1.03 Income Tax	-	-	-	-	-
	1.035,1.040 State	0	392,733	739,542	834,004	824,720
	1.050 - State Reimb Prop Tax Credits	(0)	(12,602)	(25,204)	(25,204)	(25,204)
	1.060 All Other	0	0	124,350	125,593	126,849
	2.010-2.060 Other Sources	0	0	0	0	0
	Levy Renewals	-	-	-	-	-
	Total 2.08 Rev plus Renewals	1	246,571	(789,772)	(234,421)	(243,716)
	Total 2.08 Revenue Percentage Change	0.0%	0.7%	-2.2%	-0.7%	-0.7%

The table above reflects the net change in revenue when comparing the current forecast results to the forecast submitted to Ohio DEW in October.

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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	3.50	3.50	3.50
Effective Outside Millage	16.52	16.54	16.50
Effective Inside + Outside Millage	20.02	20.04	20.00

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.

Class I Property Values Change	**TY 2023**	**TY 2024**	**TY 2025**
Reappraisal or Update Year	No	No	Yes
Percent of District in Reappraisal/Update	0.00%	0.00%	100.00%
Class I Combined Change	-0.1%	-0.1%	29.2%
New GDP-D Allowed Growth	13.00%	15.40%	13.30%

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	-0.14%	-0.11%	29.16%
Outside Millage Reduction	0.02	0.02	(0.04)
Percentage Change in Millage	0.14%	0.11%	-0.24%

Taxpayer Credits	**TY 2023**	**TY 2024**	**TY 2025**
If at the floor and exceeded GDP-D Growth	$ -	$ -	$ (921,930)

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.

H.B. 186 credits should apply to 2nd half tax year

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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	Yes	No	No	Yes	No
Percent of District in Reappraisal/Update	100.00%	0.00%	0.00%	100.00%	0.00%
Class I Combined Change	29.2%	-0.1%	-0.1%	6.5%	-0.1%
GDP-D	13.30%	9.15%	8.00%	8.05%	7.65%

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*	3.50	3.50	3.50	3.50	3.50
Millage Change	0.00	0.00	0.00	0.00	0.00
Percentage Change in Millage	0.00%	0.00%	0.00%	0.00%	0.00%

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

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Outside Millage	16.50	16.51	16.52	16.50	16.51
Millage Change	-0.04	0.01	0.01	-0.02	0.01
Percentage Change in Millage	-0.20%	0.04%	0.06%	-0.11%	0.04%
Fixed Sum Millage	0.00	0.00	0.00	0.00	0.00
Millage Change (no change)	0.00	0.00	0.00	0.00	0.00
Percentage Change in Millage	0.00%	0.00%	0.00%	0.00%	0.00%

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Total Effective Rate (Inside+Outside+Fixed Sum)	20.00	20.01	20.02	20.00	20.01

***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	$ (921,930)	$ (921,930)	$ (921,930)	$ (921,930)	$ (921,930)

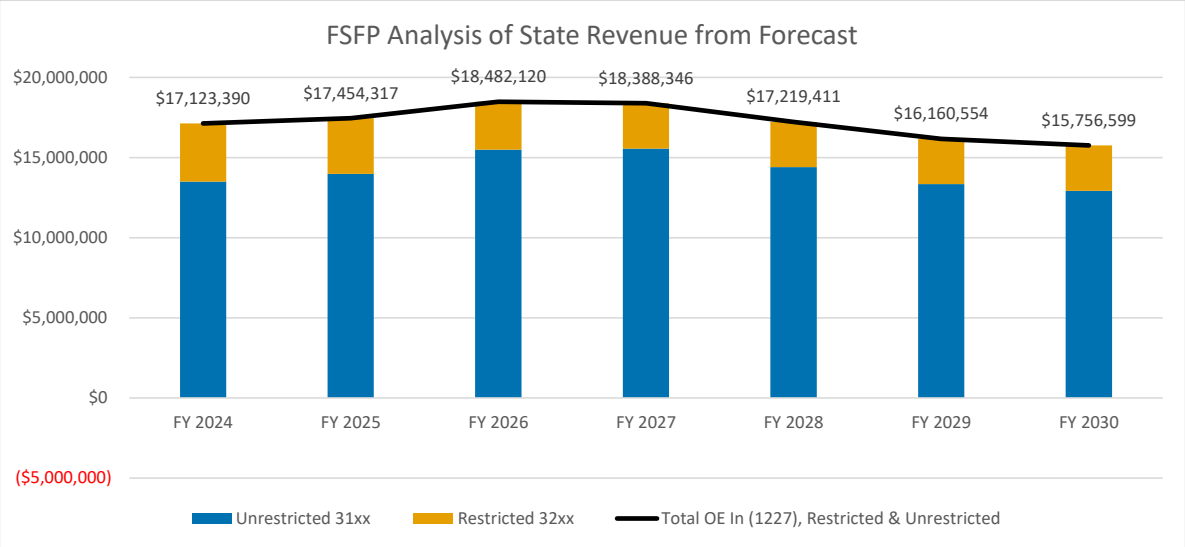
***H.B. 186 credits are only for districts at the floor, if H.B. 129 and the inclusion of fixed-sum levies may bring districts off the floor and end credits.

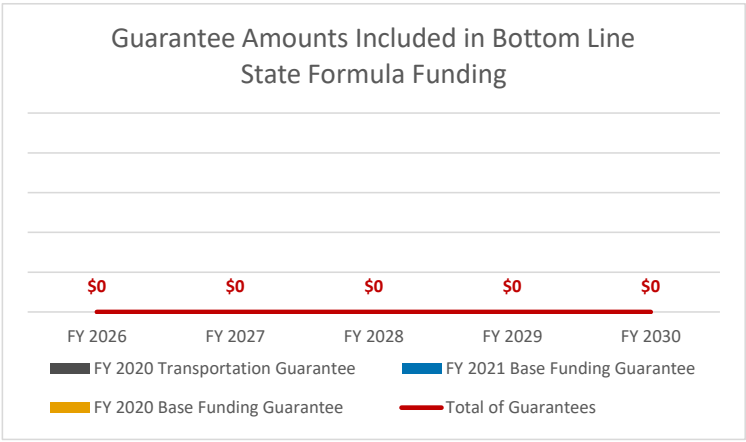
Is the district modeling county budget commission imposed homestead and owner-occupied credit increases?

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

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State Foundation Funding Results





	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Base Cost Per Pupil Total Funding	$8,102	$8,138	$8,135	$8,132	$8,134
Local Share	48.7%	53.3%	57.0%	60.2%	61.7%
State Share	51.3%	46.7%	43.0%	39.8%	38.3%

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Property Tax Reform Disclosure Items

The Ohio Department of Taxation, county auditors, and other partners are actively working through interpertation 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 legistlation:

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 Delfator (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.

State Funding Formula Interaction with Taxpayer Credits

Although taxpayer credits are projected to reduce locally realized revenue, the state funding formula is assumed to continue recognizing full property valuations in its calculations. As a result, the District’s state aid is projected to reflect higher local capacity even though the District will not receive the full benefit of those valuations under current reform measures. This structural disconnect creates additional financial pressure and limits revenue growth within the forecast period.

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Board Approved Cuts 2026-2027	Salary	Benefits	Total Cost
Marketing Coordinator (Exempt)	$ 76,176.00	$ 16,435.79	$ 92,611.79
Asst. Principal (Exempt)	$ 101,316.00	$ 46,019.79	$ 147,335.79
Dean of Students (Exempt)	$ 78,819.00	$ 34,696.94	$ 113,515.94
School Resource Officer (Exempt)	$ 77,686.80	$ 34,588.01	$ 112,274.81
Business Secretary (Exempt)	$ 56,846.40	$ 13,388.17	$ 70,234.57
Asst. Mechanic (Exempt)	$ 54,371.20	$ 20,216.43	$ 74,587.63
Technician (Exempt)	$ 44,753.40	$ 18,700.48	$ 63,453.88
School Psychologist (Exempt)	$ 104,207.00	$ 27,430.06	$ 131,637.06
Paraprofessional (OAPSE) - 10			$ 395,343.37
Secretary (OAPSE) - 3 (Attendance, Enrollment, PS)			$ 151,508.83
Nurse Aide (OAPSE)	$ 33,092.64	$ 9,718.21	$ 42,810.85
Music Teacher (CEA)	$ 84,382.00	$ 24,301.10	$ 108,683.10
Art Teacher (CEA)	$ 69,314.00	$ 21,973.09	$ 91,287.09
PE Teacher (CEA)	$ 60,969.00	$ 20,683.79	$ 81,652.79
PE/Health Teacher (CEA)	$ 89,714.00	$ 47,116.49	$ 136,830.49
HS ELA Teacher (CEA)	$ 91,337.00	$ 25,375.65	$ 116,712.65
HS SS Teacher (CEA)	$ 60,969.00	$ 20,683.79	$ 81,652.79
HS Science Teacher (CEA)	$ 52,623.00	$ 9,730.86	$ 62,353.86
HS Guidance Counselor (CEA)	$ 68,920.00	$ 43,903.82	$ 112,823.82
Permanent Sub (HS Math)	$ 50,537.00	$ 11,861.97	$ 62,398.97
Permanent Sub (CMS PE)	$ 46,364.00	$ 11,217.24	$ 57,581.24
Special Education Teacher	$ 101,305.00	$ 26,915.70	$ 128,220.70
Supplemental Cuts Non-Athletic			$ 43,209.00
Athletic Supplemental Cuts			$ 25,715.00
Transportation Fee $150/student/sport			$ 114,900.00
Transportation Fee MB at $150/student			$ 9,450.00
Athletic Teams to Club (BVball, Lacrosse, MS Soccer)			$ 13,608.00
Cut MCS Contract ($77,000 from PI)			$ 30,000.00
Cut Drug Counseling Contract			$ 45,000.00
Movement of Teacher into Grants			$ 113,852.71
Maintenance Worker (RIF'd Custodian)			$ 50,000.00
2% Raise only for Exempt/Admin Staff (CEA & OAPSE Gets 4% in FY27)			$ 63,832.17
Counseling Source Contract			$ 160,000.00
Social Worker (Exempt)	$ 66,301.00	$ 40,793.28	$ 107,094.28
Other Building Supplemental Cuts			$ 40,000.00
School Resource Officer (Exempt) - PT	$ 45,000.00	$ 25,000.00	$ 70,000.00
Integrated Services Contract		$ 25,000.00	$ 25,000.00
HS SS Teacher (CEA)		$ 145,000.00	$ 145,000.00
P/T Salary to Grant		$ 60,000.00	$ 60,000.00
Asst. Principal (Exempt)		$ 153,482.48	$ 153,482.48
PBIS Trips/Funds		$ 35,000.00	$ 35,000.00
Replacement of Special Education Teacher with BA-1			$ 35,000.00
Non-Renewal of Teacher	$ 90,642.00	$ 47,259.87	$ 137,901.87
P/T Salary to Grant			$ 45,000.00
Savings from Marketing Coord. Resignation for 2025			$ 27,146.51
Bus Aides (OAPSE) - 3		$ 71,422.75	$ 71,422.75
Fill Dean of Students Internally		$ (145,000.00)	$ (145,000.00)
Total			**$ 3,912,126.79**

The District continues to proactively monitor its long-term financial position and has developed the following financial recovery strategies to maintain fiscal stability and preserve educational programming. The purpose of this plan is to align expenditures with projected revenues while maintaining required services for students and the community.