

Ottawa Hills Local School District
May 2024 Five Year Forecast Assumptions

REVENUES:

1.010 GENERAL PROPERTY TAX (REAL ESTATE)

Real Estate taxes account for approximately 67% of the total revenue for the District. In fiscal years 2021-2023 we recognized an increase of 1.99%. Fiscal year 2024 will finish \$139,331 (1.22%) more than the prior year. Fiscal Year 2025 includes half of the 12.9 operating levy revenue passed by voters on March 19, 2024. Future fiscal years include an estimated increase of 0.5%, as well as the full revenue generated by the 12.9 operating levy. The Ottawa Hills Local School District is located in Lucas County. Below is the County Reappraisal and Triennial Update Schedule.

County Reappraisal and Triennial Update Schedule (based on calendar year):

<u>County</u>	<u>Triennial Update</u>	<u>Inc/Dec in Taxes</u>	<u>Reappraisal</u>	<u>Inc/Dec in Taxes</u>
Lucas	2027	2028	2024	2025

1.020 Tangible Personal Property Tax

The Public Utility Tax Payments are included in this line item. These are tax monies that are included in Real Estate Tax Settlements. Forecasted years are based off of prior year received amounts. Fiscal year 2025-2028 includes the revenue derived from the 12.9 mill tax levy.

1.035 Unrestricted Grants-in-Aid (State Funding)

Fiscal Years 2024 and 2025 are based on State projections of the District's estimated state funding. Fiscal years 2026 through 2028 project no increase, since there has not been a decision from the State legislature yet whether to fully fund the Fair School Funding Plan. This line item also consists of Casino tax revenue.

1.040 Restricted Grants-in-Aid

This line item contains funding from the State of Ohio for purposes of Career Tech, Student Wellness and Success, English Learners, Special Education, Gifted, and Economic Disadvantaged. Fiscal years 2024 and 2025 align to state forecasted budgets.

1.050 Property Tax Allocation

Property tax allocation consists of homestead and rollback tax received from the State. These are the property tax credits on property tax that the state reimburses to the District. These tax credits were offered as an incentive for voters to initially approve a state income tax. New legislation has been passed that eliminated this tax credit on new and replacement levies. Fiscal years 2024-2028 are stagnant with estimated revenues of \$1,449,833.

1.060 All Other Revenue

Revenue in this line includes tuition, fees, interest, and other sources. Future fiscal years account for interest increases as well as a dropoff in tuition payments due to a graduation.

2.060 All Other Financing Sources

This category consists of any advances and transfers. The amounts forecasted in this line item are for permanent improvement advances back to the general fund. This is for the \$2,400,000 advance, originally from the General Fund to the Permanent Improvement fund, approved on May 15, 2017 to complete the Elementary Building HB153 project.

EXPENDITURES:

3.010 Personnel Services

Fiscal years 2025 through 2028 are forecasted with a 0.0% increase in all salaries. Future fiscal years include step increases for certified and classified staff. Fiscal Year 2025 includes certified retirements.

3.020 Employees' Benefits

All forecasted fiscal years include employer contributions for retirement, Medicare, Workers' Compensation, as well as medical, dental, vision, and life insurance premiums. Future fiscal years account for an 8.0% increase in insurance costs. This forecast also assumes the cost of retirement to increase in conjunction with salaries.

3.030 Purchased Services

Expenses in this category include: utilities, ESC service contracts, college credit plus, legal expenses, and property and fleet insurances. The expenditures in this category can fluctuate depending on the needs of certain students.

3.040 Supplies and Materials

Expenses in this category include instructional supplies, office supplies, software, textbooks, fuel, and maintenance supplies. Inflationary increase is forecasted for future years. Fiscal years 2025 thru 2028 include the curriculum adoption plan.

3.050 Capital Outlay

These expenditures represent administrative and instructional equipment as well as building and site improvements. The District has allocated funds in fiscal years 2025 through 2028 for building and ground improvements since the permanent improvement fund is expending most of its available resources on advances back to the general fund.

4.300 Other Objects

These expenditures include audit expenses, fees charged by the state and county for the collection of tax revenue, memberships, and position bonds as required by law.

5.010 and 5.020 Operating Transfers - Out & Advances – Out

This includes any fund-to-fund transfers or advances for the fiscal year. We are forecasting transfers of \$150,000 to the Terminations Fund, to help properly budget and save up for severance payments to retiring staff.

